

Association for Postal Commerce

"Representing those who use or support the use of mail for Business Communication and Commerce"

"You will be able to enjoy only those postal rights you believe are worth defending."

1800 Diagonal Rd., Ste 320 * Alexandria, VA 22314-2862 * Ph.: +1 703 524 0096 * Fax: +1 703 997 2414

Postal News from February 2013

February 28, 2013

PostCom Members!! The latest issue of PostCom's PostOps Update has been posted on this site.
In this issue:

- At the Heart of it All: IMb
- USPS Needs to Update Outdated Strategies
- USPS Adds RIBBS Feature to Show Updated Files
- Questions/Concerns on USPS' 5-Day Mail/6-Day Packages Delivery Plan
- USPS Web Page on Delivery Schedule Plan
- Is "Dynamic" the new "Seamless"?
- Perpetual Network Optimization
- Mail Direction File Enhancements on Network Consolidations
- Few Industry Issues with USPS' Network Optimization Effort
- Time to Review Service Standards?
- USPS Looking for 2014 Promotions Feedback/Ideas
- USPS and Industry Discuss Structured Release Cycle 2014
- USPS Readies IT Systems for Jan 2014 IMb Full-Service Requirement
- IMb Tech Credit: Customer Notifications and PRC Filing in March
- eInduction Still Slated for July 2013
- USPS Doing Deeper Data Dives
- USPS Working to Reduce MDA Performance Issues
- Folded Self-Mailers Clarifications Continue
- MIDs/CRIDs Process Enhancements to Come

- USPS Working to Improve "By/For" Tools and Guides
- Mail Owner
 Definition Still in Limbo
- Who's On First?
- Pulse of the Industry
- FSS Tidbits
- USPS Says it is NOT Going Into Clothing Business
- USPS Continues FSS Modifications
- More Information on the Joint USPS/ Industry Prep & Entry Group
- MTEOR Update
- Communications
 During Emergency
 Situations New
 MTAC Workgroup
- Short Notes from the First-Class Mail Focus Group
- How Long to Keep eDoc Files?
- New MTAC

The linked image cannot be displayed. The file may have been moved, renamed, or deleted. Verify that the link points to the correct file and location

- Membership Guide Available
- USPS Review of 2012 Holiday Mobile Shopping Promotion
- Short Notes from the Periodicals Focus Group
- IMpb Update
- Short Notes from the Package Services Focus Group
- USPS Focusing on Reducing Attempted Deliveries of Packages

<u>PostCom</u> @PostCom2 #USPS: Intelligent MailTM Container Placards - Palletization requirements are outlined in the DMM. http://pe.usps.com/text/dmm300/705.htm#1380958



"Reinventing the American Postal Ecosystem"

<u>Check it out!</u> <u>Better still: Attend and Participate!</u>

Early Registration Discount of \$300 has been extended from Ma 1 to March 10

http://www.youtube.com/watch?v=5NLD_ZjneTE&feature=yout

Channels: The National Council on Privatisation has approved a reform bill that will strip Nigeria Postal Service (NIPOST) of all its regulatory function. Briefing state house correspondents after the council meeting presided over by Vice President Namadi Sambo, the Minister of Communications Technology, Omotola Johnson said that the key factor in the bill is that NIPOST should concentrate on its operational functions in the transformation agenda and help to contribute to the gross domestic product.

Economic Times: Union Budget of 2013-14 has come with a major development proposition for India post. Not only postal department big shots, but even small postal service agents are also happy with the announcement of Finance Minister. "Government has initiated an ambitious IT driven project to modernize the postal network at a cost of Rs. 4,909 crore. Post offices will become part of the core banking solution and offer real time banking services. I propose to provide Rs. 32 crore for the project in 2013-14," said the FM in his budget speech.

The Verge: "The Postal Service is bad, but Outbox is worse A new startup misses the point" There are a few obvious problems with the concept and execution of Outbox. First of all, it is bloated from start to finish: building a "revolutionary" product by piggybacking onto the nation's most laughably bureaucratic, least agile institution seems shortsighted and doomed, but it actually makes the mail experience less efficient than it is today. Whereas it currently takes three or four days for my letter to get to me from Chicago to New York it will now take... five? Maybe six? Outbox says it picks up your mail three days a week, so it seems likely that the turnaround time will be significantly less fast than if I simply bite the bullet and open the mail myself. A startup with this kind of inefficiency built into its bones is misguided, to say the least. Outbox isn't "recreating the Postal Service" at all, it is needlessly complicating the already relatively straightforward interaction we have with our paper mail, by turning it into... electronic mail. In fact, the more one thinks about this idea, the more preposterous it seems, especially in light of the fact that it has around \$2.2 million in funding from people such as Peter Thiel, and is a company which has at least eight executives.

Yahoo! News: A new service called Outbox promises to come to your house, collect your physical mail, and scan it so you can read it online via computer, iPad or smartphone. Clever, but worth paying for? Outbox's "unpostmen" will collect mail from a P.O. Box, but amazingly they'll also come to your physical address and remove mail from your mail box, or if you have a door or garage slot, they provide a special box they can access. That mail is delivered to a secure warehouse where the physical paper is digitized and then sent to your email inbox. Once scans of physical mail start arriving in your email inbox, you can flag items as junk mail and tell Outbox you don't want to receive mail from that sender again. Outbox will also alert you to new items they think qualify as junk. The site's marketing explanation says "think of Outbox as a mail filter: we'll deliver only the mail items you want or need." If Outbox picks up a physical item that you want, for example a package, a check, or a birthday card, they will send a notification of that item and you can flag it for return delivery to your residence. But does paying someone \$60 a year to pick up mail from your own mailbox make ANY sense? I mean, I like lying on the couch as much as the next person, but I go by the mail box every day!

Pre NPF - Executive Overview Join us for a Webinar on on Thursday, March 7, 2013 11:00 AM - 12:00 PM EST.

The National Postal Forum in San Francisco, March 17 - 20, 2013 has so much to offer! With over 100 workshops and Executive USPS led sessions tailored to the business and career needs of mailing industry professionals, there is no other industry event that can provide you as many opportunities to learn, grow your business and advance your career. Attendees may feel overwhelmed and confused when attempting to plan their days. PostCom invites you to attend a free webinar Presented by Rose Flanagan, Manager Postal Strategies and Logistics, Data-Mail, Newington, CT.Ms. Flanagan will highlight areas of interest and "hot topic" sessions that should be part of your agenda. Spend an hour gaining a better understanding of sessions and networking events so you can plan your days to get the most from your NPF experience. Reserve your Webinar seat at: https://www1.gotomeeting.com/register/153894296

Post & Parcel: The chief executive of Australia Post warned that the reduction in his company's workforce is "likely to continue" as mail volumes slide. Ahmed Fahour was speaking at a meeting of the tCommittee for Economic Development of Australia (CEDA) in Melbourne today, outlining his thoughts regarding the role of the national postal service in the digital economy. The central context was a 20% drop in traditional mail volumes since 2008 as more and more Australians switch to online communications. Fahour said in response, Australia Post was rethinking its strategy with a view to more of an emphasis on the growing parcels market. The company is continuing a "Future Ready" transformation programme in which it is streamlining mail operations and expanding parcel operations. "Delivering letters and operating more than 4,400 post offices in local towns across the country is still an important part of the community service that we provide, but there's a whole other side to Australia Post, too," he said. "We're increasingly becoming a parcels business."

DMM Advisory: Intelligent MailTM Container Placards Reminder Palletization requirements are outlined in the Domestic Mail Manual (DMM®) 705.8.0 and apply independently of full-service requirements. For Full-Service mailings, when pallets or containers are required by the DMM or a Customer/Supplier Agreement, or when a mailer chooses to prepare pallets or similar containers, then those containers must have Intelligent MailTM container barcodes on the pallet placards. Intelligent Mail container placards are required for full-service mailings when mailers prepare their mailings on pallets or in similar containers, per the DMM: 705.24.4.3 Intelligent Mail Container Placards All required pallets and similar containers (such as all-purpose containers, hampers, and gaylords) and all containers prepared under 8.0 in full-service mailings must display container placards that include accurately encoded Intelligent Mail container barcodes as described in 708.6.6.

Scotsman: The SNP Government today unveiled plans to slash red tape for firms in Scotland after independence with the prospect of one powerful competition watchdog being established. Finance secretary John Swinney said that the number of regulators in areas such as energy and postal services could be cut from six to just one or two.



Postal Regulatory Commission	
NOTICES	
New Postal Products,	
13714–13715 [2013–04611]	[TEXT] [PDF]
13713–13714 [2013–04612]	[TEXT] [PDF]
Postal Service	
NOTICES	
Product Changes:	
Express Mail Negotiated Service Agreement,	
13715 [2013–04602]	[TEXT] [PDF]

Press Release: Itella Logistics, a leading service logistics company in Northern Europe and Russia, gains a significant competitive advantage by implementing a fully integrated planning solution from Quintiq. Around 1,500 vehicles and 26 million transported shipments per year will be planned in just one single platform in Finland.

<u>Wall Street Journal</u>: The White House and congressional Republicans are set to let Friday's spending-cut deadline pass, with each side maneuvering to ensure the other catches the blame. [EdNote: These guys make Italy's politics look good.]

<u>UPS</u> @UPS <u>UPS Mail Innovations</u> was honored to take part in a great <u>#COE2013</u> with our Goodwill partners at @GIIEventCOE!

February 27, 2013

Memphis Business Journal: Memphis-based FedEx Corp. was recognized by market research organization Temkin Group as an industry leader in the realm of customer experience, a newly released

survey indicates. The global parcel delivery company outshined competitors in the space, which include the United States Postal Service.

Slovenian Press Agency: National postal services operator Pošta Slovenije generated EUR 6.5m in profit before tax in 2012 according to unaudited data, which is 38% less than a year earlier. Chief supervisor Davorin Kračun said that the results were influenced by the financial crisis, liberalisation of postal services and a drop in the value of NKBM bank.

Columbo Page: Sri Lanka Postal Services Union alleges that the government has sold air mail service to a private company that has no experience in the business. The trade union demands the government to abolish the agreement in this regard or face the trade union action. Sri Lanka Postal Services Union says that the handing over the air mail service is the first step of privatizing the postal service.

At the Postal Regulatory Commission:

• Monthly Progress Report on Full-Service Intelligent Mail Participation and Compliance by Commercial First-Class Mail and Standard Mail Customers http://www.prc.gov/docs/86/86575/Monthly Report.pdf

Postalnews Blog: The US Postal Service filed its January financial report with the PRC yesterday. The USPS reported a net operating loss of \$423 million for the period, bringing the year to date (YTD) loss for the first 4 months of the fiscal year to \$1.6 billion. Almost all (95%) of that loss, however, is due to the accounting requirements of the 2006 PAEA law, not actual postal operations. The YTD loss before PAEA charges is just \$88 million. One cause for concern in the report is an increase in employee workhours even as volume continues to decline. Total hours worked in January were up 2.3% from SPLY. Year to date the increase is 0.3%.

Post & Parcel: Ten companies have expressed interest in buying a controlling stake in Romania's national postal service, minister Dan Nica has said. The identities of the interested parties is being kept confidential, but the process now moves into a pre-qualification process, with proposals due by 11th April. The Romanian government decided back in December to offer a 51% stake in Posta Romana, having previously floated the idea of selling off a minority stake in order to bring in an injection of external cash to help reinvigorate the business in the newly liberalised Romanian postal market.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

A weak business development and issues concerning the restructuring of the domestic business spoiled the year for PostNL. A significant decline in addressed mail volume (-9%) lead to lower revenues (2.3bn euros, -5.1%) and a major slump in profits (135m euros, -44.2%). For the current year PostNL expects the addressed mail volume to decrease by 8% to 10%.

The Swiss price watchdog ("Preisüberwacher") launched formal proceedings against the post. An analysis of the post's profits and costs led to the conclusion that there was 'price-cutting potential'. After talks with Swiss Post failed he felt 'impelled' to launch proceedings, said Preisüberwacher Stefan Meierhans. However, he did not want to quantify the amount he wants to reduce postage due to the pending proceedings. The price watchdog can order Swiss Post to reduce the tariffs for non-monopoly services.

Altogether, the ministry of information received ten binding offers for the 20% stake in the Romanian post which is up for sale.

A sharply lower profit on an almost stable turnover marked PostNord's performance in the last year.

Royal Mail's quality of service continuously deteriorated in the business year 2012/2013. The Scottish government's plans for independence could also have a heavy impact on the British postal industry.

In Switzerland a parcel terminal network will be deployed now, too. In the middle of last week, Swiss Post announced that initially 40 terminals will be installed under the brand name My Post 24 until the end of next year.

The relocation of production facilities of U. S. companies from Asia to nearby countries ('near-sourcing') lead to a drastic increase of crime in the Mexican logistics market.

An entrepreneur is pursuing ambitious plans to defy established parcel services in Austria. The expansion of Itella's parcel terminal network is advancing as planned. On Monday this week, the Finnish post announced that it plans to install 175 new SmartPOST terminals in addition to the already established 1,100 terminals. The number is to increase to 1,500 by 2016.

Hermes-DPD, the Russian joint venture of the two parcel services (CEPNews 05/12), is offering return services now. With Rapid Return online traders can provide their customers in Russia with a simple return service for undesired goods. In the testing phase the service is to be limited to the greater Moscow area. A schedule for a nationwide roll-out has not been announced yet.

Swiss Post set up a joint venture in the digital document management segment. Transguard SPS has been launched in co-operation with United Arab Emirates based Transguard Group and the headquarters will also be situated in Dubai.

The Russian post confirmed plans to offer hybrid mail services in co-operation with Poste Italiane in Russia.

China's express and postal services are expected to continue their exorbitant growth this year. According to the regulatory authority the industry already achieved in January a 38.1% rise in revenues (2.52bn euros) year-on-year. The inner-city couriers again saw the highest growth (111.5%, 143.5m euros) followed by the domestic express sector (+84.9m euros, 792.5m euros). Letter volume in contrast decreased by 3.2% (640m letters).



The MRU, founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)

Press Release: Dan Brutto, a 38-year veteran and the architect of UPS's international strategy for the past fiveand-a-half years will retire at the end of April. Brutto, 56, will be succeeded as president of UPS International by 28-year UPS employee Jim Barber, currently president of UPS Europe.

MassLive: Unions could emerge as a key constituency in the Democratic primary between Senate candidates and U.S. Representatives Edward Markey and Lynch and in the general election. Though unions do not make up a huge percentage of the voting population, they can be major contributors of money and manpower. During the 2012 Scott Brown-Elizabeth Warren Senate race, union activists made phone calls, knocked on doors and rallied for Warren, helping carry out the ground game that led to her victory. Today, both Markey and Lynch are vying for union endorsements, and neither candidate has a lock on union support. The building trades are lining up behind Lynch, a former ironworker, who has also gotten support from firefighters, nurses and letter carriers. Lynch is a member of the Financial Services Committee and the Committee on Oversight and Government Reform, and ranking member on the Subcommittee on Federal Workforce, U.S. Postal Service and the Census.

Forbes: A new report from the Federal Trade Commission shows that the explosion in tax fraud related identity theft eclipsed the growth in all other consumer gripes during 2012. Last year, total complaints logged by the FTC's "Sentinel Network" about everything other than identity theft—meaning everything from debt collection to cell phone companies to counterfeit check scams—rose less than 5%, to 1.69 million. But tax related identity theft complaints more than doubled to 160,000. [EdNote: Time to call on the postal Inspection Service.]

<u>UWeekly</u>: The struggling U.S. Postal Service is looking for ways to reduce costs, and starting in August, post offices across the country will no longer deliver mail on Saturdays. In this case, 'mail' includes letters, bills, cards and catalogs. Many Ohio State students have their own opinions on the issue. The change for some will be, at most, a minor inconvenience.

EBS Sacramento: More than a year after the United States Postal Service insured and shipped his package, Eric Bush said the federal department still won't pay his insurance claim for lost mail. He paid USPS for tracking and insurance on a parcel to buyer Italy.



At the Postal Regulatory Commission:

SPS Preliminary Financial Information (Unaudited), January, 2013 http://www.prc.gov/docs/86/86573/JAN-13%20PRC%20-%20Final.pdf http://www.prc.gov/docs/86/86573/Letter PFI Jan13 20130226155635.pdf

February 26, 2013



Europolitics: Although they may be less visible than web players or even SMEs, European postal operators also have concerns about the draft regulation on personal data protection being examined by the European Parliament. Their problem is not one of having to request the consent of European citizens before using their data for commercial purposes, but of seeing limits on the prospecting techniques that can be used for direct marketing, ie advertising mail addressed personally to potential consumers. "For the sake of technological neutrality, the same rules will apply to direct marketing and the internet," explains Jean-Paul Forceville, head of PostEurop, the association that represents European public postal operators. "But these are very different industries and realities." He adds: "We cannot reach millions of people with a single click. We send out mail that has a cost." The Commission's initial draft had nevertheless reassured postal operators that exemptions for direct marketing would be maintained in EU legislation. Since the text has gone to the EP, however, they are concerned about a reorientation that seems to be advocated by rapporteur Jan Philipp Albrecht (Greens-EFA, Germany). His report will be put to the vote in the Committee on Civil Liberties (LIBE) in late April or May. The postal operators look poorly on the amendments proposed in Albrecht's draft report, which would prevent transfers of lists of customers to external companies and minimise data collection, whereas direct marketing uses profiling to target customers. The operators wish to retain the "balance of the 1995 directive," the EU's existing data protection legislation. This text enables them to prospect for new customers, who are entitled to oppose the use of their data for prospecting purposes. If those amendments see the light of day, it will be a black day indeed for PostEurop, which predicts a negative impact on employment and on the public service mission of postal operators.

EKUT: An Austin company is expanding its concept of undoing the work of the United States Postal Service. Outbox picks up its customers' mail, scans it, and makes it available online. The company announced today that it will start serving San Francisco and parts of Silicon Valley, after testing its service in Austin since 2011. Outbox workers open and scan letters, catalogs and flyers. Customers log in to Outbox's website to see their – now-digital – mail. You never have to go to your mailbox. The cost? About 5 bucks a month. Founders Will Davis and Evan Baehr came up with the idea after graduating from Harvard Business School. Davis says they started talking with people about their mail service, and heard the same complaints, mostly about the volume of junk mail. "So really the problem is, going to that mailbox and getting this pile of crap that you have to take back to your house that has been thrust and forced on you by the USPS," Davis said. They focused on women, and on households that don't get their mail delivered to the front door: apartments and newer home

communities served by what the USPS calls "clusterboxes." Customer Marcia Navratil heard about Outbox from a friend, a former letter carrier for the post office. Navratil says she hated getting the mail — especially the junk mail. "It works great," said Navratil. "I love it. I don't know why anyone wouldn't get their mail this way, unless you just really like having paper delivered to your house." But all that love is not sitting well with the Postal Service. Outbox launched today into public beta in San Francisco. The company, founded in 2011 in Austin, has opened up a San Francisco headquarters location in the popular SOMA district, and will begin onboarding new customers in a rollout of the service based on zip codes in the coming weeks. See also CNN. [EdNote: Those familiar with the firm expect it to burn through its angel investor cash. It then will either prove that it has a viable business plan or goes belly-up.]

<u>NBCNews</u>: "RR Donnelley Reports Fourth-Quarter and Full-Year 2012 Results" Net sales for the U.S. Print and Related Services segment in the fourth quarter of 2012 decreased 3.7% from the fourth quarter of 2011 to \$1.9 billion due to volume declines across certain product offerings, lower pass-through paper sales of \$23.4 million, or 110 basis points, and continued pricing pressure across the segment.

Parcel2Go: Dutch-owned parcels and business mail delivery company TNT is said to be looking for a partner or fellow investor to help it launch a complete, end-to-end private mail service in the UK. TNT already runs a large-scale postal collection, sorting and delivery operation in Germany, where it operates with parcel carrier Hermes as a substantial minority stakeholder.

PRWeb: There is a new system designed to give individuals & companies an extra added sense of security and awareness through picture/video imaging. This system shows the receiver of a package what's inside the package(s) or a picture/video of the sender identifying themselves. It can also be used for special occasions, like wishing a friend a happy birthday, etc. All members will receive an email when senders use their account number to send them mail or packages. As a member, you will choose how known and unknown (anonymous) senders send packages to your home or facility.

Post & Parcel: The US Postal Service looks likely to require use of its new Intelligent Mail package barcode (IMpb) on all commercial parcels from this summer.

Another change at USPS HQ: Jeff Williamson now VP Human Resources and Cynthia Sanchez-Hernandez now VP Pricing.

Haiti Libre: Monday, Wilson Laleau, Minister of Commerce and Industry has proceeded to the installation of the new Director General of Haitan Postal Service (Office des Postes d'Haïti - OPH), Ms. Chancenade François.

Post & Parcel: The chief executive of Post Danmark has warned that there is a limit to the amount of cost-cutting his company can achieve and continue delivering the mail six days per week. [EdNote: Gee Either the Danish PMG has learned to speak English or the US PMG has learned to speak Danish. Regardless. They obviously are speaking the same language. And they're both right.]

Multichannel Merchant: Many merchants who start a small business dream of one day standing over a massive company that employs hundreds and has offices all over the world. The delicate part of growing your ecommerce business is dealing with issues which one has no prior experience dealing with. One such decision that has to be made is that of outsourcing fulfillment. [EdNote: Hmmmm. Outsourcing Using other people's resources to accomplish those things you can't afford to do on your own. A concept the Postal Service should more thoroughly explore.]

Reuters: A senior adviser to President Barack Obama said the White House will soon renew efforts to push cybersecurity legislation through Congress, though he foresaw an uphill battle given the failure of the last attempt. Daniel said the White House has begun drafting "key legislative principles" for a new bill that it believes can pass both the House and Senate this time. "We very much want a bill," White House cybersecurity coordinator Michael Daniel told Reuters while in San Francisco to meet industry experts and business leaders at a security conference. But he added: "I don't want to leave anybody with an impression that we underestimate the challenges." "We will do

our best to work with Congress," he added. "You will see that develop over the next couple of weeks to months," he said. Cybersecurity legislation backed by the Obama administration died in the Senate in November amid fierce opposition from businesses that complained about over-regulation. [EdNote: \$\mathbb{I} \subseteq And....The sun'll come out tomorrow. Bet your bottom dollar that tomorrow, there'll be sun. \$\mathbb{I} \cdots...Yo! White House! Hire the best cybercops you can get. Hire the Postal Inspection Service.]

IPC Report: In this issue -- AMERICAS USPS retains Saturday delivery for packages ■ USPS makes US\$1.3bn loss in its best quarter ■ UPS opens more sea lanes ■ UPS increases its quarterly dividend FedEx opens prairie service centre ASIA PACIFIC New Corporation

Zealand Post upgrades its bulk mail production EUROPE DPD launches international B2C service from the UK ■ UPS Access Point aids consumer delivery in Europe ■ UK export rise brings greater confidence for future ■ La Poste to extend doorstep services with Facteo terminals ■ Royal Mail wins back business mail contract ■ TNT Post and Hermes offer one-stop shop ■ Itella back to profits in 2012 ■ Norway Post increases earnings again ■ TNT Express to announce strategy and profit plan ■ Swiss Post acquisition enhances document processing ■ Itella extends its business with Russian retailer ■ DHL completes its Austrian restructuring ■ TNT opens a road hub in Timisoara Romania

Financial Times: Human longevity has improved so rapidly over the past century that 72 is the new 30, scientists say. Researchers at the Max Planck Institute for Demographic Research in Rostock, Germany, said progress in lowering the risk of death at all ages has been so rapid since 1900 that life expectancy has risen faster than it did in the previous 200 millennia since modern man began to evolve from hominid species. The pace of increase in life expectancy has left industrialised economies unprepared for the cost of providing retirement income to so many for so long.

Wall Street Journal:

- When United Parcel Service Inc. UPS said last month that it was taking a noncash charge of \$3 billion tied to its pension plan, the package-delivery giant blamed what might seem like an unrelated event: the downgrade last summer of several big banks by Moody's Investors Service. But the connection between the two incidents illustrates the complexities of calculating pension liabilities—and how little power companies have in keeping them under control. Pension liabilities change over time as employees enter and leave a pension plan. For financial-reporting purposes, companies use a so-called discount rate to calculate the present value of payments they expect to make over the life of their plan. The discount rate serves as a proxy for the hypothetical interest rate that an insurance company would expect on a bond today to fund a company's future pension payments. The lower the discount rate, the greater the company's pension liabilities.
- The world's largest payments networks are angling to <u>capture more electronic transactions by eliminating plastic</u> from the equation. Visa Inc. and MasterCard Inc. on Monday unveiled industry partnerships and technology systems intended to make it easier for consumers to make purchases online, on mobile devices and in physical stores without having to pull out a credit or debit card. [EdNote: The nation needs a cybercop. I nominate the U.S. Postal Service Postal Inspection Service.]

The Daily Courier: Friday, March 1, is a day for important changes in the federal government, particularly for federal benefits, such as Social Security payments and Supplemental Security Income (SSI). Nearly all federal benefits will be paid electronically beginning March 1. Those electronic payments include direct deposit and Direct Express options. The March 1 switchover will affect most who receive federal benefits, as checks will no longer be sent in the mail, saving the federal government an estimated \$120 million a year in postage, paper and printing costs, according to the Social Security Administration.

Romania-Insider: Romanian private postal service operator Total Post increased its turnover by three times in 2012 on the year before, to over EUR 7.7 million, from around EUR 2.5 million in 2011, the company announced. The company increased its number of customers by 60 percent year-on-year, and reached a portfolio of over 200 companies, among which UPC, BCR, CEC Bank, UniCredit Tiriac Bank, Apa Nova. Last year, Total Post delivered 43 million letters, a four-fold increase on 2011, and hopes to reach 55 million deliveries this year. The company

wants to take advantage of the end in the state owned Romanian Post's monopoly on small items with low values, which was lifted from January 1 this year.

Associated Press: For now, a boom in Internet shopping is helping keep alive moribund postal services across the developed world. But the core of their business — letters — is declining precipitously, and data from many countries indicate that parcels alone won't be enough to save them. The once-proud postal services that helped build modern society are scaling back operations, risking further declines. The United Kingdom is preparing to wash its hands of mail deliveries entirely by selling the Royal Mail, which traces its roots back nearly 500 years to the reign of King Henry VIII. The U.S. Postal Service sparked uproar this month when it announced plans to stop delivering letters on Saturdays. New Zealand is considering more drastic cuts: three days of deliveries per week instead of six. The Universal Postal Union, which reports to the United Nations, estimates that letter volumes worldwide dropped by nearly 4 percent in 2011 and at an even faster clip in developed nations. Developed countries closed 5 percent of their post offices in 2011 alone. And while Internet shopping continues to grow, postal services that once profited from their monopoly on letters find themselves competing for parcels against private companies like FedEx.

Dead Tree Edition: Contrary to many recent news reports, the U.S. Postal Service has no plans to get into the clothing business, a USPS official confirmed today. Even reputable news organizations botched the announcement last Tuesday that the Postal Service has entered into a licensing agreement allowing a clothing company to sell the "Rain Heat & Snow brand of apparel and accessory products."

From the Federal Register: Postal Service PROPOSED RULES New Intelligent Mail Package Barcode Standards to Enhance Package Visibility, 13006–13007 [2013–04302] [TEXT] [PDF]

Bloomberg: Belgium's La Poste SA, the postal service company known as Belgian Post and owned by CVC Capital Partners Ltd., is reviving an initial public offering that could raise about 500 million pounds (\$755 million), said two people familiar with the matter.

The Times of India: Gangsters and other criminals in Bihar are shunning mobile phones and emails and turning to postal letters and couriers to run their rackets, threaten people and extort money, say police. The reason: letters help them avoid the police radar while phones are easy to track. "They are reluctant to use mobile phones and emails to establish contact with their associates or issue threat to demand extortion, fearing that police will catch them, using its technology network," a police officer said, not wishing to be identified. "Now they have adopted old methods to give us a slip," said the officer posted in police headquarters here. He did not want to be named. According to police, gangsters and criminals are using ordinary post and courier services to protect their identity and keep their location secret.

National Legal and Policy Center: On February 7, Frank Juarez, former president of American Postal Workers Union Local 6768, was charged in U.S. District Court for the Eastern District of Texas with embezzlement of funds from the Plano-based union in the amount of \$21,290.73. The charge follows a probe by the Labor Department's Office of Labor-Management Standards.

<u>Books</u> from Birth Program. But some of the books are not making it to children at all, they are being shredded. "Brand new, they're still in wrappers, they're great books," said Peter Abell, Shelby County Books from Birth. "The Little Engine That Could', just books that we all love and grew up reading." But, many may never make it because the U.S. Postal Service will shred them instead. The Governor's Books from Birth program sends books to children all over the state. But, due to a change of address, some do not make it. Up until now, USPS held the returned books for volunteers to come pick them up, but now it says it can no longer afford to do that.

The Hill: Rep. Bob Gibbs (R-OH): Unfortunately, the USPS is facing financial challenges and without any changes, taxpayers could be stuck with a bill that reaches into billions of dollars. We cannot let this happen. The path that the USPS is currently taking is simply unsustainable. I've been a small businessman for over thirty years, and while the USPS is the second largest employer in the country and by no means a small business, the

fundamentals remain the same. For the USPS to continue without taxpayer funding, structural and financial reforms must be made.

Phoenix Business Journal: U.S. Rep. Ron Barber, D-Ariz., is upset with a U.S. Postal Service decision to stop processing outgoing mail in Tucson and instead have those letters and packages trucked up to Phoenix. Barber has written Postmaster General Patrick Donahoe complaining about the USPS decision. The Tucson congressman said not having outgoing mail processed in southern Arizona will delay local mail deliveries between businesses and residents and is an ego blow to the region. [EdNote: Hmmmm. Wonder how much avoiding an ego blow is worth?]

February 25, 2013

At the Postal Regulatory Commission: National Trial Balance, January, 2013 (FY 2013); and Statement of Revenue and Expenses, January, 2013 (FY 2013)

http://www.prc.gov/docs/86/86568/Letter_NTB-SRE_Jan13_20130225165036.pdf http://www.prc.gov/docs/86/86568/National%20Trial%20Balance%20-%20Redacted%20%20January%202013%20(FY%202013).xls http://www.prc.gov/docs/86/86568/Statement of Revenue and Expenses - Redacted January 2013 (FY 2013).xls

ECNN: Facebook has never been merely a social platform. Rather, it exploits our social interactions the way a Tupperware party does. Facebook does not exist to help us make friends, but to turn our network of connections, brand preferences and activities over time -- our "social graphs" -- into money for others. We Facebook users have been building a treasure lode of big data that government and corporate researchers have been mining to predict and influence what we buy and for whom we vote. We have been handing over to them vast quantities of information about ourselves and our friends, loved ones and acquaintances.



Multichannel Merchant: Online shoppers are finding more and more ways to shop than ever before. They are using smartphones, tablets, traditional PCs, and most often, a combination of the three. This modern shopper is ready to buy whenever and wherever they choose, even if it means while at work. In this infographic from Monetate, the ecommerce personalization company, you will see the various trends of this shopper including the days and times of the week they shop, and the types of devices they use to make online purchases.

Postal Consulting @PostalKathy from the IDEAlliance meeting.

- Get all the news from the @IDEAlliance Print Distribution Conference later this week in the @PostCom Bulletin
- IDEAlliance announces Postal-Digital Summit to be held in Washington DC April 25 (right after Postal Vision 2020)
- USPS at IDEAlliance on digital strategies: We can't afford to fail in this space or we will never enter it again, we are moving cautiously
- USPS over the next year will use new Ideation secure software for technical groups to discuss new USPS digital concepts and strategies
- USPS has been awarded one year pilot for e-government initiative
- New USPS acronym: SDS (Secure Digital Solutions)
- New USPS digital partnerships/alliances manager talks about MyPost concept at IDEAlliance
- New USPS VP digital Randy Miskanic at IDEAlliance: we need to define intersection of physical and digital space and work collectively.

"The U.S. Postal Service is a key player in a year-long trial of a unique public-private partnership effort that would let citizens securely and voluntarily sign up for online services at multiple agencies using a number of different digital identities. The user would then use whichever password and identity is most convenient - whether the identities are issued by the government or a private company - to log in across multiple government agencies. As the most trusted government agency, and with a 200-year history of security and privacy in delivering mail, the Administration tapped the Postal Service to manage the technology behind the Federal Cloud Credentialing Exchange (FCCX) pilot project. The Postal Service would be taking on a digital version of its role in the physical world, delivering sealed packets of identity data securely between government agencies and identity providers. Press reports on the pilot project suggest that if it is successful, people might one day be able to change an address online by logging into the Postal Service website with the same passcode or smart card that they use to file taxes with the IRS and buy books on Amazon. But to start, the Postal Service is expected to begin working with suppliers to try the service on test customers, ID providers, and government offices. The FCCX will not store any personal data and will be designed to prevent agency personnel and other participants from tracking citizens' activity across agencies. This effort represents the Postal Service's first move into supporting federal e-government services, a move it is well-positioned to make. It also could serve as a template for providing other online services that promote security, privacy, and certification. Recent reports of hacking by foreign entities into the data centers of major news organizations and corporations have again reminded consumers of how vulnerable their online data can be. While many of us prefer the convenience of online bill paying, shopping, and communicating, concerns are growing about the threat this poses to privacy and security. How can the Postal Service transfer its trusted role in the physical world to a role in facilitating commerce and e-government services in the digital world? What opportunities might the Postal Service have in providing solutions to these online security and privacy concerns?"

The latest edition of MailPro is available online.

Stuff: New Zealand Post has revealed that total mail volumes slid more than 8 per cent, a drop of 35 million items in the past six months, compared with a year ago. NZ Post is barely breaking even on its core postal services, which are up for review with plans to cut back six-day-a-week delivery to a minimum of three days. It is the worst percentage fall in letter volumes the postal group has seen and compared with declines of 4 to 5 per cent a few years ago.

Bloomberg: PostNL NV surged the most in nine months in Amsterdam trading after the biggest Dutch postal operator raised its target for cost reductions. PostNL gained as much as 10 percent, the biggest intraday advance since May 22, and was up 8.7 percent at 2.01 euros as of 11:41 a.m., valuing the company at 882 million euros (\$1.17 billion). The company increased its cost-saving target to 400 million euros from 330 million euros, of which 110 million euros was achieved over the past two years. The postal operator, based in The Hague, postponed part of its restructuring plans last year to avoid harming the quality of mail service. PostNL now aims to save 290 million euros in costs until 2017 by restarting "the roll-out of the operational restructuring" and by implementing additional measures, including job cuts at headquarters and among support staff.

AMEInfo: A delegation from Kazpost, the postal corporation of Kazakhstan, discussed ways of postal cooperation between Kazakhstan and UAE at a meeting hosted by Emirates Post in Dubai today. The head of the Kazpost delegation expressed his pleasure over the meeting, the first after the interaction during the Universal Postal Union Congress in Doha, and hoped this would be the basis for future cooperation. He praised the quality of services and impressive performance of Emirates Post, of highest international standards.

Postal Technology International: DHL Freight has launched a mobile app for customers to handle their road freight shipments, allowing them to enter and manage Europe-wide orders even when they're not in the office. The DHL ACTIVEBOOKING app is available free of charge and available for smartphones operating with iOS and Android. It is based on the online platform DHL Intraship and allows registered users to generate standardised freight shipments in a fast and convenient way. Customers can also print labels directly from their mobile devices or forward labels via email. Entry orders can also be prepared offline.

Meriald Scotland: Labour want urgent answers from the SNP after a UK department suggested an independent Scotland would lose Royal Mail. A spokesman for the Department for Business was quoted as saying a new version of the postal service would have to be created. Labour's Shadow Postal Affairs Minister Ian Murray said: "End-to-end postal delivery is expensive and the SNP has to do more than just say everything will be the same. Alex Salmond has many questions to answer. What would be the cost of sending letters inside and outside of Scotland? How would the jobs and pensions of Royal Mail staff be secured? And what would happen in areas of rural Scotland that are currently supported by a guaranteed UK-wide service." The Scottish Government said that after independence deliveries would continue uninterrupted.

Take Over Chatter: Dutch postal group PostNL on Monday said it will continue to reduce its headcount as it cuts an additional 70 million euros (\$92 million) in costs by 2017 to counter declining mail volumes. PostNL said between 2,700 and 3,500 jobs will be cut at its head office and other departments - of which between 450 and 650 would be forced redundancies. PostNL reported a net profit of 155 million euros in the fourth quarter, beating analysts' forecasts of 82.4 million euros in a Reuters poll. Revenue for the period rose 2.6 percent to 1.2 billion euros, also ahead of expectations. See also DutchNews.

The Ledger: Change usually results in winners and losers, but many might have trouble finding the winners in the recent increases in U.S. Postal Service rates from 1 cent for a standard first-class letter up to 6.3 percent for packages. Local companies that provide bulk mail services to small and medium-sized businesses, generically known as "mail houses," expect demand for their services will increase because of the rate hikes and the less publicized changes in postal regulations governing the kinds of mail qualifying for bulk rates. "You just about have to be an attorney these days to stay in compliance with bulk mail regulations."

PRWeb: As the explosive growth of e-commerce has resulted in a shift in how many businesses and consumers make purchases, e-commerce is also changing the way supply chains are managed.

Transport Intelligence: TNT Express has announced the appointment of Tex Gunning as the company's new Chief Executive Offier (CEO), with effect June 1, 2013. TNT Express also announced that Bernard Bot, who has been acting as interim CEO, will remain on the Executive Board as Chief Financial Officer (CFO). Meanwhile, Jeroen Seyger, currently interim CFO, will continue in a senior Finance function in the company

Radio New Zealand: New Zealand Post has reported a rise in profit boosted by Kiwibank, but there were mixed results across its financial services, logistics and mail businesses.

February 24, 2013

Gloversville Leader-Herald: Keeping the U.S. Postal Service economically viable in the 21st century is a daunting task, but Gloversville native Robert Taub hopes to be part of the solution as one of five commissioners on the independent agency with regulatory oversight of the service Americans depend on almost daily.



February 23, 2013

Zacks: United Parcel Service, Inc. announced the expansion of UPS Worldwide Expedited service to cover more than 220 countries. UPS Worldwide Expedited includes air service for international shipments and provides delivery within two-to-five working days. This would facilitate UPS' customers with cost effective freight solutions across continents.

with the service of t

February 22, 2013

Reuters: "US sues Lance Armstrong, alleges fraud of sponsor Postal Service" [EdNote: No kidding......]

<u>Wall Street Journal</u>: U.S. retailers are lowering forecasts and adjusting marketing plans as higher taxes and fuel costs are leaving consumers with smaller paychecks.



- Promotions and Incentive Programs for First-Class Mail and Standard Mail Today the Federal Register published our Domestic Mail Manual (DMM®) final rule that revises mailing standards to include new promotions and incentive programs that will be offered in 2013 for Presorted and automation First-Class Mail® cards, letters, and flats and Standard Mail® letters, flats, or parcels. In this final rule, we provide a description of the eligibility conditions for six promotional programs and the revised mailing standards to implement them, as well as listing the types of mailpieces eligible for each promotion. The DMM effective date is March 4, 2013.
- IMbTM Services Update PostalOne! ® Maintenance Outage from 6 a.m. to 8 a.m. CT on Sunday, February 24, 2013. During this outage, an infrastructure enhancement related to disk storage will be implemented and PostalOne!® including FAST® Web Services, eDOC Web Services, and Mail.XML® functionality will be unavailable. There will be NO new Mail.dat® Client. PostalOne! Patch Release 33.0.2 will also be deployed in a rolling fashion during the regularly scheduled maintenance window of 4 a.m. to 6 a.m. CT to correct known issues in PostalOne!.

The latest issue of the PostCom Bulletin is available online. In this issue:

- PRE NPF EXECUTIVE OVERVIEW Join PostCom for a FREE webinar on March 7 at 1pm ET. Reserve your webinar seat now: https://www1.gotomeeting.com/register/153894296
- The USPS earlier this week at the Mailers Technical Advisory Committee (MTAC) meeting shared more details around its recently announced plan to begin 5-days a week mail delivery and 6-days a week package delivery beginning August 5, 2013.
- The Association for Postal Commerce (PostCom) has submitted reply comments in the Annual Compliance Report (ACR) docket before the Postal Regulatory Commission. PostCom submitted comments primarily to address the issue of Standard Mail Flats pricing and that product's failure to cover its costs during Fiscal Year 2012. For the practical and legal reasons discussed below, PostCom said that prudence dictates that the Commission find Standard Mail Flats rates in compliance with the PAEA.
- The Postal Regulatory Commission has rejected the Postal Service's proposal to seeks a minor classification change concerning First-Class Mail Single-Piece Residual Commercial price table. The Commission concluded that the proposed revised price table for Single-Piece Residual Machinable Letters does not qualify as a minor classification change.
- According to Dead Tree Edition, "on the same day it very publicly announced the planned cessation of most Saturday delivery, USPS released data confirming what Dead Tree Edition speculated about two

weeks ago. (See So Far, FSS Is A Step Backward, USPS Data Indicate.) The data show that two of the three major types of mail processed on FSS machines – Standard (non-carrier-route) Flats and Periodicals – had experienced larger increases in processing costs the past two years than they had gained in delivery savings."

- USPS CFO speaks to MTAC. USPS launches new product line. FedEx helps small business streamline shipping with fedex.com Integration Manager. USPS spending millions to send execs to conference. Reader's Digest files for bankruptcy. FedEx earned \$1.6 B in FY12 from USPS air contract. USPS PMG names Randy Miskanic as VP, Secure Digital Solutions. Al Franken's fanciful PO fix. PRC dismisses complaint case. GAO puts USPS on its high risk list. USPS to beta test electronic fulfillment. More lessons learned from Hurricane Sandy. USPS explores package access solutions. Looking for news from MTAC?
- Updates from the Domestic Mail Manual.

All you would need is a humidifier and a vaporizer.

- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- Postal previews

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us by email</u> your name, company, company title, postal and email address. Get a chance to see what you've been missing.



The PostCom Bulletin is distributed via NetGram

Nonprofit Postal Blog: What will be so difficult when magazine weights are verified in far-flung places? Humidity. Minor variations in trim size. These add up when trying to verify postage for a 100,000 run magazine based on, say, twenty copies weighed in different places. Small measurement variations can amount to big postage when multiplied by 100K. That is why this topic came up at the USPS' Mailers Technical Advisory Committee this week. Printers all but stood in line to express how difficult this is going to be, and ask what weight tolerances the USPS will allow. No one, after all, wants to make a stab at claiming the correct postage only to be called out later for a deficiency. Apparently issue weights are a moving target. So, printers were solicited to participate in a test called, "How much does a magazine mailed from Mid-America weigh in Miami vs.

Ventures: The Tanzania Posts Corporation is to go digital, in line with other posts companies seeking to grow their revenue generation base and to keep pace with technological advancements. Postal office officials and experts told a briefing yesterday that it was crucial to adopt modern day technologies to stay in business. The Tanzanian Science and Technology Minister, Professor Makame Mbarawa said the posts company had to establish its business on new models built on information and communication technology.

Phoenix?" I bet you are thinking, "Why can't this just be done in a lab under scientific conditions?" Wise you are.

Las Vegas Review-Journal: A Las Vegas mail carrier is on leave without pay while the Office of Inspector General investigates a case of "misplaced" mail. "He's still in our employ, but he is on unpaid administrative leave pending the outcome of this," U.S. Postal Service spokesman David Rupert said. Rupert, who is based in Denver, referred the Review-Journal to the Office of Inspector General for further details, but a spokesman for the office said he could provide no specifics until the investigation is complete. No one will say how much mail was lost, how old it was, or where it was found. "It was discovered through an internal investigation," Rupert said.

Here's one we've seen: "State Senators Challenge Postal Plan to End Saturday Delivery" Everybody's getting into the act.

Here's one we haven't: "Local Dogs Protest End Of Saturday Mail Delivery."



Postal Regulatory Commission	
NOTICES	
Negotiated Service Agreements:	
Priority Mail Contract,	
12368 [2013–04042]	[TEXT] [PDF]
Postal Service	
RULES	
Promotions and Incentive Programs for First-Class Mail and Standard Mail,	
12234–12238 [2013–03926]	[TEXT] [PDF]
NOTICES	
Privacy Act; Systems of Records,	
12368–12369 [2013–04053]	[TEXT] [PDF]
Product Changes:	
Parcel Return Service Negotiated Service Agreement,	
12369 [2013–04055]	[TEXT] [PDF]

February 21, 2013

DMM Advisory: January/February 2013 MailPro Available The January/February 2013 MailPro [HTML] [PDF] is available on <u>about.usps.com/mailpro</u>. You'll find articles about the upcoming National Postal Forum, the introduction of USPS TrackingTM, a summary of the January 2013 Mailing Services and Shipping Services price changes, Metro PostTM, PRS-Full Network, and more. Customers can access current and past issues of MailPro online or subscribe by sending an e-mail to mncsc@usps.com. Include your name, title, company name, complete delivery address, and daytime phone number.

Delivering Tomorrow: There are two reasons why a free trade agreement with the United States would represent a milestone in Europe's long-term plan. First, it would create new opportunities for European and American businesses. Second, a free trade deal would unleash a new dynamic between the United States and Europe, allowing an even stronger common basis to emerge – a basis from which we can jointly address the most pressing global challenges of today.

Welcome to another PostCom Postal Podcast
Join PostCom President Gene Del Polito and PostCom
Board Chairman Steven Lopez in a discussion of some
recent developments concerning the Postal Service and a possible digital
services strategy.

CNET: While cyberattacks and hacking seem to be constantly making headlines these days, identity fraud is also on the rise. A new report by Javelin Strategy and Research shows that identity fraud has increased for the last three years in a row -- affecting more than 5 percent of U.S. adults. In 2012, 12.6 million people were identity victims. According to Javelin, identity fraud is up 4.9 percent from 2011 and 4.35 percent from 2010. The firm said that

scammers are increasingly gaining access to people's personal information and accounts through data breaches and malware attacks.

Post & Parcel: Swiss Post is extending its parcel services with its first introduction of automated parcel terminals, under the brand My Post 24. The free My Post 24 service will allow customers to collect, hand in or return parcels around the clock – 7 days a week, 24 hours a day.

From the Federal Register: Postal Regulatory Commission NOTICES New Postal Products: Negotiated Service Agreement, 12108 [2013–03900] [TEXT] [PDF]

<u>Daily Kos</u>: The postal service has a new source of revenue coming: clothes. The agency has licensed its motto to be used for a line of all-weather smart apparel called "Rain Heat & Snow." But while extra money for the postal service could be a help in its current struggles, the details of this deal are a reminder of exactly why it's struggling.

<u>Citizens Against Government Waste</u>: In response to the United States Postal Service's (USPS) announcement that it plans to develop a line of "smart" clothing, CAGW excoriated postal management for its misguided attempt to step into non-postal, commercial markets when the organization is facing bankruptcy and is on the verge of needing a taxpayer bailout. [EdNote: Oh, heck. Just ask them if they have something in your size. By the way, I take a 17" collar and a 34" sleeve. . . . Oh, and I'm partial to blue.]

million on an upcoming conference, saying the event is an opportunity to grow revenue. Postal Service officials said the ends justify the means, as all the major mailing players attend the conference each year. In 2012, USPS customers who spent more than \$22 billion in postage attended, which represents one-third of all Postal Service revenue, a spokeswoman said. The agency spent about \$1.9 million on the conference last year, but brought in \$160 million in revenue from closing nearly 100 sales. "This is a revenue-generating opportunity," Zy Richardson, the spokeswoman, told Government Executive. "This is a public event that anyone can attend. It's not a secret, internal event." [EdNote: It does make you wonder, though. How does Congress defend coming to Washington, enjoying exclusive benefits, collecting and cashing paychecks that are larger than most Americans will ever see, and then do nothing.....absolutely nothing.....about any of the serious issues facing the nation?]

February 20, 2013

<u>Wall Street Journal</u>: What to do when you are the second-largest employer in the U.S., losing \$15 billion a year and facing an existential crisis? If you're the U.S. Postal Service, the answer is clear. First, end Saturday delivery of mail. Second, and more significantly: unleash the hoodies!

EXAKE: The U.S. Postal Service says it plans to close its encoding center in Wichita, causing a loss of 380 jobs. The center employs 797 people but only the 380 who are not covered by collective bargaining agreements will lose their jobs. The other employees will be reassigned to available positions within the postal service.

The Commercial Appeal: FedEx put a pretax price tag of \$550 million to \$650 million Tuesday on voluntary buyouts of thousands of employees starting this spring. The projection, contained in a regulatory filing, was consistent with previous estimates that buyouts would take about \$600 million in non-recurring expenses out of the bottom line, primarily in the quarter ending May 31.

The Green Car Website: Mercedes has secured its largest ever fleet order for its Vito E-Cell electric van, with a delivery of 50 new battery-powered vans lined up for deliver to the Danish postal service, Post Danmark. Post Danmark was one of the first firms to trial the electric model for Mercedes in 2011, with a small test fleet of three vehicles operated on the island of Bornholm. That was enough to persuade the postal service that the battery models that the electric vans made a sensible choice for their operations, won over by low running costs, driveability and load capacity. The Vito E-Cell electric motors deliver 60kW to the front wheels, delivering torque of 280Nm and a top speed of 55mph. The model's 36kWh lithium ion battery deliver a driving range of 80 miles.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

The trend of development in Itella's business as a whole was largely positive during the year'. Heikki Malinen, CEO of the Finnish post since January 1, was able to report a significantly improved result on Friday.

Canada Post denied in a statement that it had any plans to cut delivery frequency. Anyhow, the company confirmed that it currently holds talks with union representatives about the closure of post offices and sorting centres.

The Danish post won the legal dispute with its competitor FK Distribution.

Posten Norge's operating result deteriorated further on a stagnating turnover in the business year 2012.

Berlin-based postal service provider Pin Mail has been targeted by data protectionists. Daily news »Tagesspiegel« (17.02) reported that Pin stores - as usual in case of automatic sorting - the streets, house numbers and postal codes of addressees. However, the mail service provider does not delete the data after the sorting process, but uses the data for customer complaint and return management, quality protection and accounting instead. All in all, the data is stored for up to five months, according to the paper.

Latvijas Pasts closed the second business year in a row with a profit.

Australia Post's addressed letter volume dropped by almost one fifth over the last five years.

TNT Express tightened its austerity measures and announces further restructuring steps after losses in the fourth quarter.

DPD started a co-operation with UPS' chain store Mail Boxes Etc. (MBE) in Russia. With the collaboration, which kicked-off at the beginning of February, mainly private recipients and SMEs are to get better access to their parcels. MBE operates more than 50 locations in Russia, 13 of them in Moscow alone.

PostNL will make the subsequent payments determined by an arbitrary court due to the too low coverage ratio of its pension fund.

Deutsche Post plans to deliver letters and packages in urban areas with electric cars.

Post Danmark will use right-hand drive delivery vehicles in the future. At the end of last week, the post said that it acquired 125 of these cars. Post Danmark wants to improve the security of its deliverers with this step as they now step out on the parking lane or the sidewalk and not on the road anymore.

⊞Itella just barely missed the quality targets for standard letters last year.

The South African government apparently plans to clean up the mess at the post. The company gained a bad reputation due to 'irregular payments' and 'obscure leasehold contracts.'

Incredible labour conditions at China Post's express service. News agency »Xinhua« (12.02) reported on the working conditions at the Peking-based express hub of China Post's subsidiary EMS. According to this, the journalists met deliverers who did not have a single day off in 2012, despite having worked in shifts of 12 hours.

La Poste plans to equip all its deliverers with handheld devices until 2015. According to unanimous media reports, all of the around 90,000 mail carriers of the French post are to be equipped with the devices called Facteo. The unit's performance is said to be similar to smartphones. This means that the devices can be used as phones, receive SMS and e-mails and use internet-based applications. La Poste plans to deploy 11,000 handhelds until the end of this year.



The MRU, founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)

Equities.com: Cypriots have been increasingly turning to the internet to do their shopping via e-commerce sites such as Amazon and eBay, the postal services have said. "There has been an increase materially in incoming parcels and small parcels due to e-commerce," said the head of postal services, Andreas Gregoriou. Most of the packages coming from abroad nowadays are from e-commerce sites such as Amazon and eBay, said Gregoriou, adding that people were increasingly finding it "more convenient to shop online than in a physical shop in the country." Although the hike of mail traffic during the holidays, particularly Christmas, has angered customers over delays, Gregoriou did say they were "trying to change procedures for the delivery of parcels to citizens" in order to better serve them. Among those changes is the recently introduced "Parcel 24" system, which allows customers to register with their mobile numbers and receive SMS messages when their parcels arrive. These parcels are held for 48 hours and can be picked up at any time. Another change, planned to be unveiled before the end of the year, is a system that will allow customers to return products they are dissatisfied with without incurring postage costs, said Gregoriou.

The Northwestern: For years, U.S. Postal Service officials have sent an SOS riddled with financial woes to Congress. Not surprisingly, lawmakers have continued to let the government-run but not government-funded service capsize. On Feb. 6, USPS leaders stopped waiting for a response from lawmakers and announced the decision to cut mail delivery, but maintain package delivery, on Saturdays beginning in August. The mail service estimates the move will save \$2 billion a year. It's a long overdue and much needed move. The agency's decision has produced little uproar, further solidifying it is the right call and Congress should not intervene — unless to modify legislation in the agency's favor — with the change. Congress has yet to commit to the change or any legislation, and already failed to pass a postal bill last year. As we've seen before, taxpayers end up footing the bill when Congress can't agree on a solution.



PostCom's Rockin' Robin tweeted from the Tuesday MTAC meeting that:

- USPS COO said that a dedicated 6-5 day website will be available "shortly."
- USPS COO said USPS will continue Saturday acceptance of bulk mail as well as dropship if it is open today!
- USPS COO said that 6-day package and 5-day mail delivery will save USPS 10% of \$20B gap they need to close
- CFO said that although FSS is far from where USPS expected it to be from a value standpoint, FSS still produces an ROI.
- As of today, USPS CFO said, that by this Oct 2013, USPS has forecasted it will have 2 days of operating cash on hand; compared to 10 today.
- CFO discussed Q1 financials with MTAC. Said USPS has only 10 days of operating cash on hand. Down 1 day from SPLY.

The linked image cannot be displayed. The file may have been moved, renamed, or deleted	The APWU President Cliff Guffey is calling on union members to ask their senators and
	representatives to co-sponsor a pair of postal reform bills that were introduced in the
	House and Senate on Feb. 13. The Senate bill (S. 316) was introduced by Sen. Bernie

Sanders (I-VT) with eight co-sponsors; the House bill (H.R. 630) was introduced by Rep. Pete DeFazio (D-OR). [EdNote: No. Neither bill will be enacted.]

In the Matter of United States Postal Service and National Postal Mail Handlers Union, AFL-CIO -- Final Arbitration Award

WSB: A Georgia congressman is demanding answers from the head of the U.S. Postal Service after an exclusive Channel 2 Action News investigation. Channel 2's Scott MacFarlane discovered the post office is spending \$2.2 million to have 400 executives attend a four-day conference in March at the Moscone Center in San Francisco, including \$220,000 for exhibit space at the event. The Postal Service is dangerously close to insolvency and plans on cancelling most Saturday mail delivery to homes in the coming months. Rep. Tom Graves, R-Georgia, fired off a letter to the Postmaster general Tuesday after reading MacFarlane's report. [EdNote: Good grief. It's the National

Postal Forum!! You know, the place where the Postal Service meets its customers to generate new mail business. Anyone who's ever been to a Forum would know that it's far from being an all expenses paid trip to the Bahamas. Nothing like "firing off a letter." How 'bout just picking up the phone and call the Deputy PMG?]

WSB: And there's more

Lawmakers have made the following statement in response to Scott MacFarlane's investigation in the postal conference in San Francisco:

- Rep. Jim Jordan (R-Ohio): "I'm not sure how much sense it makes to your customer that
 you're spending millions to send your top executives to a conference that includes golf
 and a dance party. We'll keep this in mind if and when the USPS comes asking for a
 bailout."
- Rep. Steve Pearce, (R-New Mexico): "If the Postal Service can afford a luxury conference for its top executives, it should be able to afford the services rural Americans rely on.
- Rep. Mick Mulvaney (R-South Carolina): "It's silly. It's an unforced error by the US Postal Service. Only in DC does this make sense."
- Spokeswoman for Sen. Sherrod Brown (D-OH): "This is cause for serious concern."
- Rep. Lynn Westmoreland (R-Georgia): "I find it very troubling to see their executives spending such large amounts of money on lavish trips."
- Rep. Phil Gingrey (R-Georgia) said the expenses were "Wasteful, irresponsible, and tone-deaf."
- Rep. David Scott (R-Georgia): "While the Postal Service is cutting back at the Crown Road facility in my district, they are spending a lot of money in San Francisco. If employees and customers are dealing with cuts, then management should too."

[EdNote: Hey folks. Gimme a break. Go to a Forum and you tell me where you'd rather be. "Luxury conference"...
"Lavish trips".... Puh-lease!]

February 19, 2013



• Review of the Altoona, PA Originating Mail Consolidation – 13XG027NO000

"Following an AMP study, the Postal Service consolidated the originating mail processing operations from the Altoona P&DF to the Johnstown P&DF. The originating mail processing operations were consolidated in August, 2012. The OIG will conduct an audit to determine the operational impacts of the consolidation. We will also assess compliance with established AMP guidelines. Do you believe the consolidation has resulted in savings for the Postal Service? Did the consolidation improve or deteriorate service?"

For your light bedtime reading. This information has recently been updated, and is now available.

- Hybrid Mail Efforts Management Advisory (SM-MA-13-004)
- Controls to Detect Money Order Fraud Audit Report (DP-AR-13-002)
- FY 2012 Financial Testing Compliance Oversight Business Mail Entry Unit (FT-MA-13-006)
- FY 2012 Postal Service Financial Statements Audit Eagan Accounting Services (FT-AR-13-009)
- Fiscal Year 2012 Financial Testing Compliance Oversight Continuous Detached Mail Unit Reviews (FT-MA-13-007)
- View all published audit reports.

<u>Wall Street Journal</u>: President Barack Obama on Tuesday prodded Congress to act to avoid automatic spending cuts set to kick in March 1, pressing a plan for targeted spending cuts and tax increases. "These cuts are not smart,

they are not fair, they will hurt our economy, they will add hundreds of thousands of Americans to the unemployment rolls," Mr. Obama said in remarks delivered at the White House. "This is not an abstraction: People will lose their jobs, the unemployment rate might tick up again." The president's remarks were just the beginning of what is likely to be a sustained battle between the parties to shape public opinion about the impending spending cuts—over their impact, who is to blame, and what the solution should be. With Congress in recess, both parties have armed lawmakers with fact sheets and talking points to make their case to their constituents. [EdNote: Anyone holding their breath waiting for postal reform? If so call 911 immediately.]

At the Postal Regulatory Commission: Docket No. MC2013-38: Removal of Confirm Service from the Market-Dominant Product List

GigaOM: It's already been an embarrassing few months for Canada. First, there was the heist at the strategic maple syrup reserve and then the country printed the wrong national symbol on its money. Now, Canada risks further ridicule by doubling down on a campaign to own basic postal data. In case you missed it, Canada Post last year filed a copyright lawsuit against a small company that publishes postal codes (the Canadian equivalent of zip codes) on its website, Geocoder. The company, Geolytics, created a database of codes — such as H4B 5G0 or V6B 6G1 – through crowdsourcing, which it gives away for free to non-profits and also licenses to businesses. Critics quickly blasted Canada Post's lawsuit as an overreaching attempt to assert copyright over basic facts. Nonetheless, the agency continues to push on. This month, it made a concession — but one that appears more strategic than substantial.

News Record: Hundreds of law enforcement officers from the FBI and the U.S. Postal Inspection Service arrested 13 defendants on February 5 and searched locations in New Jersey, New York, Pennsylvania, and Connecticut. All of the defendants are charged with one count of bank fraud before U.S. Magistrate Judge Madeline Cox Arleo in Newark federal court.

Business2Community: Technology could save the US Post Office if Uncle Sam is willing to take a lesson from my Gmail spam filter. Deliver less things we don't want and more surprise things we do and you may start making rather than losing millions a day. Maybe they can come up with a way for me to opt out of Piggly Wiggly fliers or menus from that pizza place, or the ValPak of nonsense. And start sending me coupons for In-N-Out Burgers and marriage proposals from Eastern European supermodels. [EdNote: Ah, free speech. The right every American has to sound truly stupid.]

Government Executive: Getting ready to remake your Spring wardrobe? There's a new fashion designer about to launch a product line: The U.S. Postal Service. The line of apparel and accessories will fall under brand name "Rain Heat & Snow," playing off USPS' unofficial motto "Neither snow nor rain nor heat nor gloom of night stay these couriers from the swift completion of their appointed rounds." After quarter after quarter of billion dollar losses and declining mail volume, the agency has pledged to find new ways to generate revenue. So why not fashion? "This agreement will put the Postal Service on the cutting edge of functional fashion," said Postal Service Corporate Licensing Manager Steven Mills in a statement. "The main focus will be to produce Rain Heat & Snow apparel and accessories using technology to create 'smart apparel' -- also known as wearable electronics."

From the Federal Register: The Postal Service has released a Federal Register notice for Beta Test of Electronic Product Fulfillment for Addressing and Delivery Management Products.

The Postal Service is continuing its efforts to minimize production costs, and provide a convenient and more rapid method for postal licensees to obtain their data products, by offering the capability to download these products via a secure service. These large data files are currently not available for electronic transfer, however the Postal Service would like to offer the functionality to transfer these data files to licensees to ensure industry compatibility and security compliance, and identify opportunities for service improvement. This functionality will give licensees more flexibility and effectiveness with data installation and production management. Accordingly, the National Customer Support Center (NCSC) is seeking current NCOA®, DPV®, DSF®, and AMS API

licensees to test a beta web service that allows the electronic download of these products through the USPS® Electronic Product Fulfillment (EPF) Web site

Attention Postal One! Users: PostalOne!® Release 33.0.2: The patch release is to repair known issues in PostalOne!® and will be deployed during the scheduled maintenance window of 4:00AM CT to 6:00AM CT on Sunday, February 24, 2013 in a rolling fashion. An infrastructure change related to disk storage will also be implemented between 6:00AM to 8:00AM CT which will result in a two-hour outage. During this outage, PostalOne! will be unavailable including Mail.xml®, FAST®, and eDOC Web Services.

A Possible Pilot Collaboration between Rural Telecom Providers and the Postal Service Issue Brief February 8, 2013 Prepared by U.S. Postal Service Office of Inspector General Report Number: RARC-IB-13-001

"In order to provide new digital services, reduce costs, and improve access, some international postal operators are using hybrid delivery networks that combine traditional physical mail delivery with digital delivery. Such networks allow a postal operator to cut costs by reducing the number of days that it physically delivers mail, while providing customers 24/7 digital access to postal services through computers or handheld devices. The U.S. Postal Service does not currently have such a hybrid physical/digital delivery network. If it decides to pursue one however, the Postal Service will likely face particular challenges in providing adequate service in rural areas. Some rural customers cannot use the Internet as a communications channel, as service in their communities is either unavailable or too costly. This issue brief describes one possible approach to addressing this problem: a partnership between the Postal Service and rural telecommunications companies to establish a digital postal network and ensure adequate digital access in rural areas."

National Association of Major Mail Users: What is Canada Post doing to promote and market mail as an integral part of today's communications media? The industry began seeing some tangible answers last November with the launch of the Education and Awareness Program, presented by award-winning, creative and marketing strategist, Mark Morin, Strategies Relationship Marketing. This initiative is one aspect of a comprehensive Canada Post plan that will emerge concurrently and in stages, over the next six months, addressing a variety of audiences. The intention is to "get noticed" at the outset, and then maintain continuous, lower key, steady contact with these audiences after the initial six months. Donna Drover, GM Commercial Mail Products, Canada Post, provided the following update that gives the industry a good idea of the scope and investment of this plan: The Agency program is designed to encourage Ad Agencies to recommend more Direct Mail to their clients.

February 18, 2013

delivery of your mail. But Channel 2's Scott MacFarlane has learned the agency is spending \$2 million to send its top executives to a pricey conference in San Francisco. MacFarlane has obtained the agenda for the conference which calls for not only workshops and meetings, but also a golf outing, a dance party and a dinner event. Government watchdog groups and the Postal Service disagree over whether it's worth the money. The National Postal Forum conference is set to take place in March. It begins with a golf outing at Harding Park in San Francisco. The four-day conference will draw 4,000 people to the city's Moscone Center.

Fort Mills Times: FedEx Corp. today announced the launch of a new tool designed to help e-commerce customers spend their time selling, not shipping. Designed for business owners who manage multiple stores online, fedex.com Integration Manager is a web-based tool that simplifies the shipping process. It works seamlessly with e-commerce platforms such as eBay, Amazon, Etsy, Google Checkout and Yahoo, and allows business owners to organize, review and process their shipments from multiple stores in one place.

Christianity Today: Good news: The U.S. Postal Service lost only \$1.3 billion in the fourth quarter of 2012. Yes, \$1.3 billion. And yes, it is good news because it represented a major improvement over the fourth quarter of 2011, when they lost \$3.3 billion. It's easy to understand why the beleaguered institution recently announced it will soon discontinue Saturday mail delivery. While reactions are mixed, emphasizing generational differences, for many of

us, the Postal Service faded to a place of limited relevance a long time ago. Although the U.S. Postal Service is unique in many ways, it serves as a perfect example of what happens to businesses of all kinds when they fail to adapt. History is full of similar cases. Kodak failed to adapt to a digital world. Sears and Kmart stopped keeping pace with consumer trends. Blockbuster Video couldn't to see how their business could (and would) be done with far more convenience to customers.

Albany Herald: Bruce Parton was only a few weeks from retirement after 30 years as a mail carrier in sunny Florida. #He never lived to fulfill his retirement plan of moving back to a quiet life in the Catskill mountains of New York, not far from where he grew up on Long Island. #Instead, he was gunned down on his daily mail route in December 2010 by members of an identity theft ring who stole his master key as part of a scheme to claim fraudulent tax refunds. #Using stolen names and Social Security numbers, criminals are filing phony electronic tax forms to claim refunds, exploiting a slow-moving federal bureaucracy to collect the money before victims, or the Internal Revenue Service, discover the fraud. #Parton was a victim of what officials say has ballooned into a massive, and dangerous, illegal industry that could cost the nation \$21 billion over the next five years, according to the U.S. Treasury Department.

<u>Taiwan News</u>: Chunghwa Post Co. Chairwoman Lee Jih-chu said Monday that she has solicited support from Taiwan's central bank for the state-run postal company to handle foreign currency deposits.

Office of the Inspector General: Giving Credit Where Credit is Due. After more than 20 years of service, the venerable POSTNet barcode on envelopes for automating and sorting mail retired on January 28. The Postal Service now requires that mailings have at least Basic-Service Intelligent Mail barcodes (IMb) to qualify for automation discounts. Mailers will need to switch to Full-Service IMb by January 2014 to receive maximum discounts at that time. Even though the Postal Service provided a lengthy lead time and a good deal of education on the discontinuance of the POSTNet barcode, the IMb requirement undoubtedly caught some smaller mailers by surprise. At the start of the New Year, less than half of commercial mail contained an IMb, suggesting a sizable number of mailers still needed to make the switch. While large commercial mailers were early adopters of IMb, many mid-sized and smaller mailers were hesitant to make the commitment and investment. Basic-Service IMb is not as big a step as the move to Full-Service IMb but it also yields fewer benefits. Full-Service Intelligent Mail will allow mailers to receive richer data about their mailings, but requires them to invest in hardware and software changes. The Postal Service wants to give mailers an incentive to make the conversion. It has proposed a one-time credit ranging from \$2,000 to \$5,000 to customers that make the conversion to Full-Service IMb. The credit would be based on the number of pieces the customer sends in a year. In an October Federal Register notice, the Postal Service laid out its proposal and further details are expected in a final rule. Is an incentive necessary to get mailers to invest in Full-Service IMb? If you are a mailer, do you plan to take advantage of the incentive?

Wall Street Journal: Reader's Digest Association and six affiliates filed for Chapter 11 protection late Sunday night, the publisher's second bankruptcy filing in 3½ years and another example of the pressures on media companies still relying on their print publications. Closely held Reader's Digest listed more than \$1.1 billion in assets and about \$1.2 billion in liabilities on its bankruptcy petition, filed with the U.S. Bankruptcy Court in White Plains, N.Y. Reader's Digest said more than 70% of its secured noteholders have agreed to convert \$465 million in debt to equity in a "prearranged" bankruptcy restructuring plan that it hopes to complete within six months. The company also said it secured a \$105 million bankruptcy loan from a group of senior creditors. "The Chapter 11 process, which will facilitate a significant debt reduction, will enable us to continue to redefine our business by focusing our resources on our strong North America publishing brands, which have shown a new vitality as a result of our transformation efforts, particularly in the digital arena," Chief Executive Bob Guth said in a statement.

Aberdeen News: What is vital to our society, and what is of the utmost importance to our way of life? The U.S. mail remains one of these important facets of our society. Cutting back on service to make the bottom line look better is noble, but it is futile. Our nation's leaders might just as well take action to subsidize our mail system. They must be anyway while trying to fill the huge gap made by horrific losses over the past few years.

News Chief: Email was once a great tool for communication, one that was less intrusive than the telephone and faster than the Postal Service. Now, even when it works as designed, it's a virtual nightmare — and, occasionally, an actual one.

Denver Post: The odds that an American adult will be the victim of identity theft: "One in 10 or better," says Colorado deputy attorney general Jan Zavislan. Read more: Identity thieves nail 1 in 10 Coloradans. If your identity is stolen, recovering your name will take six months or more. Even if you immediately report the theft, if you haven't already frozen your credit report, identity thieves can apply for credit cards and loans in your name.

Reuters: TNT Express, whose \$7 billion takeover by United Parcel Service was blocked last month, reported a fourth-quarter loss on Monday and said it was looking to sell troubled businesses in Brazil and China. TNT Express faces an uncertain future. It has cut capacity in Europe because of weak demand, was hit by restructuring problems in Brazil, and is seen as a minor player in China. Its chief executive quit soon after UPS made its offer in March 2012. TNT Express was partially split from Dutch postal operator PostNL in May 2011 in an attempt to profit from express operations as traditional mail business declines. But its weak performance quickly prompted activist shareholders to call for a management shake-up or an outright sale, pushing TNT Express into the arms of UPS only to have EU competition regulators block the marriage.

Wall Street Journal: New details of a White House immigration plan have been released, upsetting Senate Republicans working on a bipartisan bill and threatening to complicate the delicate legislative process now under way. [EdNote: My heavens. Does any politician know how to do anything right in this town?]

Times of India: It is a great time for linguists who are in demand for the upcoming Urs of KhwajaMoinuddinChishti which will start from May 12. The khadims are looking for these linguists, locally known as clerks, to prepare invitation cards for Urs which will be sent to devotees all over the world. The linguists earn around Rs 500-600 for working two to three hours. The tradition is that the khadims invite their guests and devotees by sending them the programme details hand written on a thick paper in their native language. "

Financial Times: A stock market float of Royal Mail is a leading option as the government finalises its plan to privatise the state-owned postal operator, a minister said.

The Telegraph: Bonuses for thousands of managers at Royal Mail have soared by nearly two thirds despite missing first-class mail delivery targets, and pushing through a big increase in the price of stamps, The Daily Telegraph can reveal. See also The Independent.

February 17, 2013

Express and Star: Royal Mail workers will be offered a 10% stake in the company as the Government steps up plans for a flotation amid a recent rally in financial markets, it has been reported.

Associated Press: As they geared up for their congressional re-election campaigns last year, U.S. Reps. Edward Markey and Stephen Lynch sought out contributions from their friends, neighbors and fellow Massachusetts residents. But Markey and Lynch, who are vying for the Democratic nomination in the special election for the U.S. Senate, also relied heavily on the deep pockets of political action committees to help fill their campaign coffers. Lynch, who was an ironworker for 18 years before entering politics, enjoyed strong backing from unions. A dozen labor-related PACS contributed at least \$10,000 each to his campaign account during the cycle. Among Lynch's top PAC donors were the **American Postal Workers Union**, the International Longshoremen's Association, the Sheet Metal Workers International, the Utility Workers Union of America, the Machinists Non-Partisan Political League and the Ironworkers Political Action League. [EdNote: Uh-oh. Looks like AP will be accused of working for those disgusting corporate lackies as shown by its "anti-union bias."]

Postalnews Blog: New York City's Mayor Michael Bloomberg, one of the world's wealthiest men, has a reputation as a social liberal, and fiscal conservative. He also has a strong dislike for unions, and that may be behind what appears to be a campaign against postal unions being conducted by the Bloomberg media empire. [EdNote:

Man.....that's a stretch. I know Angela Greiling Keane, and anti-union she's not. She's one of the least biased postal reporters around. She'll take off after mailers, management, and (yes) postal employee groups, when the occasion calls for it. It may be time to re-layer those bones with a thicker skin.]

Des Moines Register: Like water or electricity, mail delivery is an essential service that online communications can supplement but not replace. Cutting it back would cripple services and drive customers away, forcing further cuts and losses. Privatizing it would allow some companies to make giant profits but would spike customers' mailing costs

February 16, 2013

Wall Street Journal: Meredith Corp., the Iowa-based TV and magazine firm still controlled by the Meredith family, is now poised to merge with most of the glamorous Time Inc. publishing empire that Mr. Luce built into international fame. The two companies are discussing a deal under which Meredith's 18 magazines would be combined with most of Time Inc.'s portfolio—excluding Time, Sports Illustrated and Fortune—in a new public company. Meredith also owns a dozen TV stations, which would remain separate.

DC Velocity: FedEx Corp. generated more than \$1.6 billion in revenue from the U.S. Postal Service (USPS) in the post office's 2012 fiscal year ending last September, making FedEx by far the postal service's largest supplier, according to internal USPS data obtained by a Washington, D.C.-based law firm. This marks the 10th consecutive year that Memphis, Tenn.-based FedEx, which competes with USPS on various delivery services, was also the quasi-governmental agency's largest supplier, according to Husch Blackwell LLP, which obtained the information through a Freedom of Information Act request. Second on the list was Kalitta Air LLC, which flies military mail for the post office. Kalitta, based in Ypsilanti Township, Mich., generated \$396.6 million from postal business. UPS Inc., FedEx's chief rival, was 10th with \$126.3 million in revenue from USPS. FedEx Express, FedEx's air and international unit, provides domestic airport-to-airport deliveries of Priority Mail, USPS's two-day delivery product; Express Mail, its overnight delivery product; and regular first-class mail. FedEx was first awarded a seven-year flying contract by USPS in 2001. The contract was renewed in 2006 for another seven years. The 2006 pact replaced the final two years of the original contract.

■ Washington Post: A U.S. Postal Service official has pleaded guilty to accepting at least \$40,000 in bribes in exchange for helping a Maryland company receive \$6 million in contracts. Forty-seven-year-old Gene Quarles of Spotsylvania pleaded guilty Thursday in federal court in Alexandria to bribery of a public official and faces up to 15 years in prison.



Postal Regulatory Commission	
NOTICES	
International Mail Contracts,	
11699–11700 [2013–03662]	[TEXT] [PDF]
Postal Service	
NOTICES	
Beta Test of Electronic Product Fulfillment for Addressing and Delivery Management Products,	

[TEXT] [PDF]

NALC will hold a day of action on Sunday, March 24, to mobilize public support for Saturday delivery service. The timing will allow us the perfect opportunity to remind our representatives in Washington to maintain the six-day mail delivery language in the continuing budget resolution, expected to be renewed by Congress on March 27.

February 15, 2013

Postmaster General Patrick Donahoe has named Randy S. Mlskanic as the Postal Service's new Vice President, Secure Digital Solutions. Randy's expertise at the intersection of digital technology and online security makes him the ideal person to lead our important investments in digital product development. In his current role as Deputy Chief Inspector of the United States Postal inspection Service (USPIS), Randy has demonstrated strong leadership and ability in guiding our strategic approach to the prevention and investigation of identity theft and fraud offenses in the physical and digital arenas. He significantly advanced the capability of the USPIS to conduct cyber investigations, respond to malware and network attacks and analyze digital evidence. He has also guided the USPIS's efforts to build a robust cyber response and investigative capability through partnerships with the Carnegie Mellon University's Computer Emergency Response Team Coordination Center (CERTICC) and other federal government and private sector partners. Randy and his team have fostered our ongoing relationship with the US Department of Justice's Computer Crime and Intellectual Property Section to support criminal investigations and help secure the US Postal Service, business partners and customers from cyber attacks. He also led an initiative that resulted in the protection of thousands of U.S, citizens from exposure to fraud through the seizure of over \$1 billion in counterfeit financial instruments destined to individuals in the United States.

The Guernsey Press: Scrapping formal postal regulation entirely should be looked at, Guernsey Post chief executive Boley Smillie has said.

Columbo Page: In a measure to strengthen the country's archaic Postal Service, the Sri Lankan government has recruited over 1,000 new employees to the service. The government has made 1,080 new appointments to the Postal Service after a lapse of 16 years to uplift the service to meet the present day needs. The new recruitments will cover all the districts in the country.

Bloomberg Businessweek: The U.S. Postal Service has another would-be savior: Al Franken, the U.S. senator from Minnesota and former Saturday Night Live cast member. On Thursday, he and seven Democratic colleagues introduced a bill to "modernize" the financially troubled agency, which is losing \$25 million a day. There are already plenty of reform proposals floating around Congress. The Senate passed a reform bill last April, only to have it languish in an election year. So presumably, Franken and his allies have already had their say on the matter. What Congress needs to do now is come up with a compromise that can make it though both houses. It will be difficult for Republicans and Democrats to reach such an agreement. Democrats are heavily supported by postal worker unions, which hope to protect the jobs of their members at a time when mail volume is declining. That surely has something to do with Franken's proposal to increase the duties of clerks in rural areas. It's job security for them. When it comes down to it, Franken's new bill is another attempt by Congress to look like it's doing something to ease the Postal Service's woes. But it's really just another distraction.

DMM Advisory: IMbTM Services Update. *PostalOne!* Maintenance Outage — from 6 a.m. to 8 a.m. CT on Sunday, February 24, 2013. During this outage, patch Release 33.0.2 will be deployed to correct known issues. *PostalOne!* including FAST, eDOC Web Services, and Mail.XML functionality will be unavailable. There will be NO new Mail.dat Client.

Dead Tree Edition: U.S. printing prices have failed to keep pace with inflation during the past 25 years, the CEO of the country's second largest printing company told a Senate panel this

week. "During that same time period, the price of postage has continued to increase and as a result the single largest expense of printing is now the postage associated with delivering the final product," Joel Quadracci, Chairman, President & CEO of Quad/Graphics Inc., testified Wednesday during a Senate hearing on the "Crisis Facing the U.S. Postal Service."

At the Postal Regulatory Commission:

<u>Docket No. C2012-1</u>: Complaint of the Associated Mail and Parcel Centers, et al. -- ORDER DISMISSING COMPLAINT

"On March 15, 2012, the Associated Mail and Parcel Centers (AMPC), the National Alliance of Retail and Ship Centers (NARSC), and 11 additional organizations representing private mailbox providers 1 (Complainants) jointly filed a complaint with the Commission. 2 Complainants state that starting in January 2012, the Postal Service began offering to competitive Post Office Box service customers the option to receive certain enhanced services, namely email notification of mail delivery (email notification), the option to use a street address and a "#" designation in lieu of a "P.O. Box" designation (street addressing), and the option to receive packages from private carriers (private carrier package delivery). Complaint at 10. Complainants contend that due to Postal Service "tax and marketing advantages" CMRAs will be placed at a competitive disadvantage and will face a decrease in potential sales with the introduction of the enhanced services.

"It is ordered:

- 1. Complainants' claims that the Postal Service's offering of enhanced competitive Post Office Box service violates 39 U.S.C. §§ 3633 and 3642 are denied.
- 2. The Complaint Regarding Postal Service Offering Enhanced Services Product for Competitive PO Boxes, filed March 15, 2012, is dismissed. "
- National Payroll Hours Summary Report, Pay Periods 24-26, 01-03, FY 2013 http://www.prc.gov/docs/86/86510/Pay period 01 FY2013.pdf
- National Payroll Hours Summary Report, Pay Periods 24-26. 01-03, FY 2013 http://www.prc.gov/docs/86/86524/Pay%20period%2001%20FY2013.pdf http://www.prc.gov/docs/86/86524/Pay%20period%2002%20FY2013.pdf http://www.prc.gov/docs/86/86524/Pay%20period%2003%20FY2013.pdf http://www.prc.gov/docs/86/86524/Pay%20period%2024%20FY2013.pdf http://www.prc.gov/docs/86/86524/Pay%20period%2025%20FY2013.pdf http://www.prc.gov/docs/86/86524/Pay period 26 FY2013.pdf
- **ACR2012** Reply Comments of Time Inc. on USPS FY 2012 Annual Compliance Report http://www.prc.gov/docs/86/86493/TIrpCtsACR2012.pdf
- **ACR2012** Reply Comments of the United States Postal Service http://www.prc.gov/docs/86/86515/FY2012.ACR.Reply.Comments.pdf
- **ACR2012** Reply Comments of Magazine Publishers of America, Inc., and Alliance of Nonprofit Mailers http://www.prc.gov/docs/86/86502/13-02-15%20MPA%20reply%20comments.pdf
- ACR2012 Reply Comments of the American Catalog Mailers Association (ACMA)
 http://www.prc.gov/docs/86/86506/ACMA%20Reply%20Comments%20ACR2012.docx
 http://www.prc.gov/docs/86/86506/ACMA%20Reply%20Comments%20ACR2012.pdf
- MC2013-30 Order No. 1661 Order Denying Minor Classification Change Concerning First-Class Mail Single-Piece Residual Price Table http://www.prc.gov/docs/86/86505/Order_1661.docx
 http://www.prc.gov/docs/86/86505/Order_1661.pdf

"On January 8, 2013, the Postal Service filed a notice pursuant to 39 C.F.R. §§ 3020.90 and 3020.91 of a minor classification change concerning rates applicable to presorted First-Class Mail residual pieces. 1 On January 18, 2013, the Postal Service modified its initial proposal in response to Chairman's Information Request (CHIR) No. 1. 2 The revised proposal was submitted after the comment period on the initial proposal closed.

"The Postal Service's proposal generated comments from several interested parties. NPPC and the Major Mailers Association (MMA) comment that the Postal Service's proposal "amounts to a classic bit of 'bait and switch'" and is an attempt "to implement a rate increase through a so-called 'minor' classification change." The Association for Postal Commerce (PostCom) and the Association for Marketing Service Providers similarly state that the proposed change is not "minor" because "it completely alters the implementing rules in a way which not only upsets any value to the category but, more importantly, nullifies the very substantial programming and other costs that mailers have incurred to be in a position to comply with the new prices." The Association for Mail Electronic Enhancement also filed comments, urging the Commission to "reject the proposal as an improper rate increase and as inconsistent with Order No. 1541."

In conclusion, the Commission finds that the revised proposal is not a minor classification change. Therefore, the revised proposal is denied. The rates for Single-Piece Residual Machinable Letters approved in Docket No. R2013-1 are affirmed. It is ordered: 1. The Postal Service's proposed minor classification change is denied. 2. The rates for Single-Piece Residual Machinable Letters approved in Docket No. R2013-1 are affirmed."

Charleston Daily Mail: Postmaster General Patrick Donahoe appeared before a Senate committee this week, pleading for permission to cut costs. After all, the U.S. Postal Service ran a \$15.9 billion deficit in the last fiscal year alone. Members of Congress, afraid both of Postal Service unions and Postal Service customers, have refused for decades to give the Postal Service permission to make economic sense. But the situation has changed. Now there's something worse to be afraid of: Taxpayers. Donahoe, in asking for permission to end mail delivery on Saturday, issued a warning: Unless Congress allows him to drop Saturday mail delivery, taxpayers could face a \$45 billion bailout of the Postal Service in four years. Oh. If there's anything members of Congress like less than getting on the wrong side of postal unions, it's getting crosswise with an electorate that is mad as hell about multibillion-dollar bailouts. [EdNote: Oh, please. . . . It's postal unions that have the long memory. Heck, the electorate is so fickle that what bothers them today is forgotten tomorrow. Don't believe it? They why do they keep electing to Congress those who are responsible for most of today's mess?]

BBC News Jersey: Competition from email and internet services will prevent Jersey Post from putting up stamp prices too high, according to the company boss. Jersey's competition regulator announced plans to remove price controls on stamps as part of a more relaxed regulation of postal services. Kevin Keen from the government-owned operator said it was a fair approach from the regulator. He said if prices were too high people would turn to digital services.

From the Federal Register: Postal Regulatory Commission NOTICES International Mail Contract, 11237–11238 [2013–03505] [TEXT] [PDF]

February 14, 2013

<u>Pocket No. ACR2012:</u> The Association for Postal Commerce has filed with the Postal Regulatory Commission reply comments on the Annual Compliance Report.

CBC News: Door-to-door postal service has been temporarily suspended on two streets in Sudbury while Canada Post investigates safety concerns raised by employees. Canada Post spokesperson Anick Losier said the corporation is obligated by the Labour Code to launch a full investigation anytime employees say they feel unsafe.

Melodika: In aletter to United States Postmaster General and Chief Executive Officer Patrick Donahoe, 88 members of the United States House of Representatives urged the Post Office to continue delivering medications to all Americans six days a week. In the letter sent prior to today's Senate Homeland Security and Government Operations Committee hearing, the 88 Representatives touted the benefits of mail-service pharmacies. [EdNote: My heavens. Didn't any of them know the PMG already had promised mail order pharmaceutical delivery on Saturday.]

The Record: Canada Post is denying a media report that it's considering cutting its delivery schedule from the current five days a week. The Crown corporation says it continues to look at ways to save money as the mail delivery business declines. It's been talking with union officials about closing some postal outlets and cutting the number of sorting stations. But a spokesperson says reducing the number of days the mail is delivered is not on the table.

PRNewswire: An online mapping tool and credit card payment are two new enhancements to Every Door Direct Mail – Retail that are making it easier for small businesses to reach the customers who matter most — those in their own neighborhoods.

Washington Post: The possibility that there won't be Saturday delivery has generated grass-roots opposition as seen on social media. People suddenly love "snail mail," as it's been called disparagingly in the past, when faced with the prospect of losing it one day a week. Social media has also given a voice to those questioning the Postal Accountability and Enforcement Act of 2006; some say the burden of mandated health-care prepayments for retirees 75 years into the future — not required by any other federal agency — is causing much of the Postal Service's financial troubles. On the lighthearted side, The American Housewife @WhatIDoAllDay sent a series of tweets asking if she might "single-handedly save the US Postal System" by mailing letters to those who ask for them. She beseeched people that if they liked mail, they should provide "something to deliver" by writing a love letter, a thankyou note, a postcard. "From now on instead of saying, 'You should tweet that,' I'll shout: 'Put a stamp on that! [EdNote: I'm sure the PMG would say: "Show me the money!"]

The latest issue of the <u>PostCom Bulletin</u> is available online. In this issue:

- The Senate Committee on Homeland Security and Government Affairs held a postal hearing, "Solutions to the Crisis Facing the U.S. Postal Service," this week.
- Congress is about to begin anew an effort to address the fiscal and operational challenges facing the U.S.
 Postal Service after failing to do the job last year. If the effort is to be spared yet another failure, Congress
 must focus on those things that absolutely need to be done and avoid getting embroiled in partisan politics.
 The Association for Postal Commerce, a national organization representing business that use the mail, or
 assist others in the use of mail, believes there key principles that Congress should follow if postal
 legislative reform is to succeed.
- The U.S. Postal Service released the results of a new survey today showing 80 percent of Americans support the new six-day package, five-day mail delivery schedule announced last week that the Postal Service intends to implement the week of Aug. 5, 2013. The survey, commissioned for the Postal Service, was completed by Ipsos, a leading independent market research company.
- U.S. Rep. Grace Meng (D-Queens), joined by virtually all members of New York's Congressional delegation, sent a bipartisan letter U.S. Postmaster General Patrick Donahoe blasting his decision to eliminate Saturday mail delivery and demanding that he reconsider the plan.
- The Association for Postal Commerce has responded to the National Academy of Public Administration's request for comments on its' independent review of a Thought Leader proposal to reform the United States Postal Service (USPS).
- The U.S. Postal Service ended the first three months of its 2013 fiscal year (Oct. 1 Dec. 31, 2012) with a net loss of \$1.3 billion. Continued growth in Shipping and Package revenue (+4.7%) and increased efficiency helped mitigate but could not fully offset the financial effects of continued First-Class Mail volume declines and costs that are beyond Postal Service management control. As a result, the Postal Service recently announced it would move forward with accelerated cost-cutting actions necessary to help maintain liquidity because Congress has not passed comprehensive postal reform legislation.
- The Postal Service published its unaudited December results with the Postal Regulatory Commission. USPS lost \$509 million in December 2012. The Postal Service's controllable operating loss for the month was \$58 million. The Postal Service Retiree Health Benefit Fund had a prepayment of \$467 million and a workers compensation adjustment of negative \$30 million. The month of December is part of the Postal Service's fall mailing season, which traditionally is its highest volume months throughout the year.

- According to Michael Schuyler for the Tax Foundation, the relevant economic question to ask is not whether the loss of Saturday letter delivery would be desirable—it would not—but whether it would be less bad than the alternatives. This issue will be debated in coming weeks and months, but it is increasingly difficult to identify alternatives that would achieve comparable savings without causing more pain. It may be useful to briefly evaluate six arguments for maintaining Saturday delivery."
- The Smithsonian National Postal Museum is undertaking research and development for a future exhibit exploring the impacts of green initiatives by the U.S. Postal Service and the mailing industry.
- MTAC requests participation in two new workgroups. Joshua Colin named USPS Eastern Area VP. Editorial: Politics, not the internet, is killing the USPS. USPS to expand package delivery to Sundays. Slate's Explainer: Why doesn't the Postal Service make money? FedEx Ground is 'crown jewel' of empire. USPS admits FSS is losing money. USPS, regional parcel carrier OnTrac to launch "last mile" delivery service in late summer. Postal Union millions to Democrats roils Saturday cuts. PostCom's newest member.
- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- Postal previews.

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us by email</u> your name, company, company title, postal and email address. Get a chance to see what you've been missing.



The PostCom Bulletin is distributed via NetGram

AllThingsD: Ads are part of the very fabric of our society, and have been for years. But ad execs want to stick with what works: It's why the bulk of today's industry ad budgets are still pointed at traditional mediums like television, print and the like. According to Google SVP and chief business officer Nikesh Arora, "there is a reasonable probability that over 50 percent of advertising goes online in the next five years."

Press Release: The U.S. Postal Service released the results of a new survey today showing 80 percent of Americans support the new six-day package, five-day mail delivery schedule announced last week that the Postal Service intends to implement the week of Aug. 5, 2013. The survey, commissioned for the Postal Service, was completed by Ipsos, a leading independent market research company.

Now hear this: "This Week In Postal".....the latest podcast posted now!

International Business Times: Canada's largest mail carrier, Canada Post is likely to cut down its services as a result of \$327 Million operating loss it faced after sixteen consecutive years of annual profits. The Canada Post is considering reducing the mail delivery from five to four, or three days per week according to CTV news. The operating loss is as a result of weakening demand for post mail services as people have become more inclined to using email and phone calls than traditional mail services. [EdNote: Maybe the U.S. Congress should wake up to the reality that what's happening with mail in the U.S. is also happening around the world. Don't they read newspapers?... Newspapers? Yeah, you know. Those sheets of paper with print on them that also have been smacked by the internet.]



The Herald: The Southern Africa Postal Operators Association, a Sadc regional body responsible for the postal sector, is hosting Africa's first Postal Forum at the International Convention Centre in Durban. The forum began on Tuesday with a conference that focused on new technology and postal partners. Various postal service providers

were display the latest technology in mail sorting, containerisation and software solutions for logistics and international money transfer. Also on offer were letter, flat and parcel sorting automation equipment; materials handling and containers; software solutions - optimisation track and trace; handheld technology; vehicles, bicycles, scooters and trolleys; and delivery equipment.

Washington Post: Democratic Sens. Mark L.Pryor (Ark.) and Carl Levin (Mich.) closely questioned Donahoe about what gives him the right to circumvent Congress. They weren't satisfied with his answers. He referred them to a nine-page Postal Service legal memo that says "current law does not prevent a movement to 5-day delivery." The reason: When a temporary budget measure expires on March 27, for the first time since 1983 no law will be in effect that requires six-day delivery. Appropriations legislation provided that requirement every year since then. But even if Donahoe's legal reasoning is solid, his attempt to circumvent Congress is not widely appreciated on Capitol Hill. [EdNote: Well, if Congress doesn't get off its duff and face the Postal Service's issues, the PMG is left with few alternative choices.]

Bloomberg Businessweek: All but five of Congress's 255 Democrats and independents received campaign donations from postal worker union groups in the past six years, raising the political risk of Postmaster General Patrick Donahoe's move to end Saturday mail delivery. Political action committees for the seven postal unions contributed \$9.6 million from 2007 to 2012 to current members of Congress, 91 percent of it to Democrats and two independents who caucus with them, according to data compiled by Bloomberg from the Federal Election Commission and the Center for Responsive Politics, a Washington-based research group. Democrats control the U.S. Senate, which must agree to most of the changes Donahoe says are needed to save the Postal Service from insolvency. Many of his proposals are intended to reduce labor costs accounting for 80 percent of the service's expenses. That puts Donahoe in conflict with post office unions, which would lose most of the estimated 22,500 jobs that would be cut if Saturday delivery ends, and have spent years making friends on Capitol Hill. "That's why it's been so hard to come up with a plan for the Postal Service," said Bill Allison, editorial director of the Sunlight Foundation, a Washington-based watchdog group.

BusinessLife: CICRA (the Channel Islands Competition and Regulatory Authorities) is today launching a consultation proposing changes to the way in which the postal industry is regulated which, if implemented, would save the industry £245,000 a year in licence fees alone. The consultation recommends a scaled back regulatory approach, including the removal of price controls on Guernsey Post Limited (GPL) and Jersey Post (JP). CICRA is asking interested parties to provide their views on the way postal services in the Channel Islands should be regulated in the future.

Salem News: We don't have a lot of faith in Congress doing the right thing, but in this case, we'll hold out a sliver of hope. Congress needs to relax the restraints that have turned the Postal Service into a benefit-fattened agency and help it become a more efficient customer-centered enterprise.

From the Federal Register: Postal Service NOTICES Removal of Confirm Service from Market-Dominant Product List, 10642–10643 [2013–03379] [TEXT] [PDF]

National Association of Letter Carriers: Postmaster General Pat Donahoe's effort Wednesday to justify to lawmakers his attempt to do an end-run around Congress by ending Saturday delivery failed badly. Donahoe acknowledged that he had not studied the impact on lost mail volume and revenue of going to a five-day delivery schedule, and that his figure of \$2 billion in potential savings was only an estimate. That estimate lacks credibility because his previous estimates have been found to be wildly inflated by, among others, the Postal Regulatory Commission—in part because they don't reflect the lost mail volume that would result.

Vanguard: Aggrieved Nigerian Postal Service, NIPOST, pensioners have appealed to the Federal Government and the management of NIPOST, to pay their over seven years arrears, saying their pensions is for them to live and not for burial. This came as the protesting pensioners vowed to continue to disrupt NIPOST activities until the management settles all unpaid pensions and arrears especially after the deadlock of a meeting between the pensioners and the management of NIPOST in Abuja, recently.

Financial Times: Time Warner is in preliminary talks to sell most of its Time Inc and IPC Media magazine businesses for as much as \$2.4bn-\$3bn, in a move that could herald the biggest shake-up of the US and UK periodical markets for decades. One person familiar with the discussions said Meredith, the US publisher of magazines such as Better Homes and Gardens, Family Circle, Ladies' Home Journal and Every Day with Rachael Ray, had made an approach. Spokesmen for Meredith and Time Inc declined to comment.

Yahoo! New Zealand: New Zealand Post became the latest major employer to announce job cuts as it closes its Datamail centre in Petone, Wellington, at the cost of 70 jobs, and axes 30 jobs in Auckland. Datamail, which prints junk mail for advertisers, will close the Petone site in mid-2014, will offset the cuts with the creation of 30 new positions in its Christchurch Datamail operation. The company is investing in new printer technology and no longer needs as many machines to meet demand, so is closing one of its three sites.

The Examiner: One of the more irritating things about journalism is the ability of a partisan assertion to become a fact through constant repetition. People with axes to grind make a claim, then friendly groups and bloggers repeat the claim until it becomes widely-cited enough to gain the currency of truth. Such is the case with the claim that Congress has required the Postal Service to fund its retiree health benefits 75 years into the future. The claim has often been made by the two main postal employees unions, the National Association of Letter Carriers and the National Rural Letter Carriers Association. NALC President Fredric Rolando even made the claim in an op-ed for the Washington Examiner.

Federal News Radio: Reps. Darrell Issa, the chairman of the House Oversight and Government Reform Committee, and Elijah Cummings (D-Md.), the committee's ranking member, kicked off the Senate committee's hearing. Cummings said the two parties — and the two chambers — agree on about 90 percent of the issues surrounding how to restore the postal service to solvency. "The people in this very room can make it happen," Cummings said. But Cummings said he believes it's possible for Congress to complete a bipartisan bill by the end of March, when the current continuing resolution expires.

Wall Street Journal: The U.S. Postal Service's plan to cancel Saturday mail deliveries by August, which has drawn fire from lawmakers, is prompting fresh movement in Congress to address the agency's financial woes. Sen. Thomas Carper (D., Del.), chairman of the Senate committee that oversees the Postal Service, said Wednesday he intends to pursue new legislation to overhaul Postal operations, after a bill he wrote failed to clear the previous session of Congress. "Come August...if we're still here debating these issues, we have failed—I have no intention of failing," Mr. Carper said. "The post office can't continue to lose \$5 billion a year going forward."

ENews Park Forest: Sen. Bernie Sanders (I-Vt.) and Rep. Peter DeFazio (D-Ore.) today introduced legislation to modernize the U.S. Postal Service, save Saturday mail and repeal a crippling law responsible for 80 percent of the mail system's funding woes. The Senate bill is cosponsored by Sens. Patrick Leahy (D-Vt.), Kirsten Gillibrand (D-N.Y.), Al Franken (D-Minn.), Ron Wyden (D-Ore.), Jeff Merkley (D-Ore.) Tom Udall (D-N.M.) and Sherrod Brown (D-Ohio). Under the legislation, proposed cuts to Saturday delivery would be prevented. The measure would let the Postal Service look for innovative new ways to make money by lifting legal bans on services such as notarizing documents, issuing hunting and fishing licenses and allowing shipments of wine and beer. It also would clear the way for the Postal Service to help customers take advantage of email and Internet services. Moreover, a commission would be created composed of successful business innovators and representatives from small business and labor to make recommendations on other ways the Postal Service could generate new revenue and thrive in the 21st century.

Tax Foundation: Postmaster General Patrick Donahoe surprised the nation last week when he announced that the U.S. Postal Service would move to five-day-a-week letter delivery starting in August. The Postmaster General also promised several accommodations to ease the inconvenience for mail users: post offices now open on Saturdays will remain open on Saturdays; post office box service will continue on Saturdays; Express Mail deliveries will not be delayed; and packages will still be delivered on Saturdays. Further, USPS is giving its customers six months' notice to help them prepare for the change. The proposed change will occur in August, when mail volume is traditionally low and glitches are easier to remedy than during the peak mailing season. Reductions in service are never popular, but eliminating Saturday delivery has consistently aroused less public opposition than other proposals for achieving comparably large savings. In public opinion surveys, two-thirds or more of respondents regularly say they would be

willing to end Saturday delivery to avoid a price hike, and in a Rasmussen survey last year, 75 percent opposed retaining Saturday delivery if it would require government subsidies. Of course, now that the Postal Service has stated its firm intention to make the switch and announced a specific timetable, it will be interesting to see if public opinion remains supportive.



At the Postal Regulatory Commission:

Market Dominant Products Preliminary Revenue, Pieces, and Weight by Classes of Mail and Special Services for Quarter 1 of Fiscal Year 2013 (Oct. 1, 2012 - Dec. 31, 2012) Compared with the Corresponding Period of Fiscal Year 2012

http://www.prc.gov/docs/86/86482/Fy2013Q1 RPWsummaryreport public.xls http://www.prc.gov/docs/86/86482/Letter RPW Q1-FY13 20130213160731.pdf

New York Times: Despite the outcry from some lawmakers after the announcement last week that the Postal Service would seek to end Saturday letter delivery, few senators questioned Mr. Donahoe on Wednesday about the agency's proposal. Most of the questions came from rural lawmakers like Senator Jon Tester, Democrat of Montana, who said he was worried about the impact on rural communities of some other Postal Service changes, like the closing of mail-processing plants. But Senators Mark Pryor of Arkansas and Carl Levin of Michigan, both Democrats, did question whether the agency had the legal authority to make the Saturday change. And both senators said they were not satisfied with the legal justification given by Mr. Donahoe, who said that the agency could end Saturday delivery without Congressional approval. You can find a copy of the Postal Service's justification on this

<u>The Miami Herald</u>: Senators are urgently trying to save the struggling U.S. Postal Service after its announcement that it will cut Saturday delivery starting in August. In a hearing Wednesday before the Senate Homeland Security and Governmental Affairs Committee, senators and post office advocates agreed on the importance of immediate congressional changes to the Postal Service's operations, though there was no agreement on the specifics of how to do so. Read more here: http://www.miamiherald.com/2013/02/13/3232613/senators-look-for-ways-torestore.html#storylink=cpy

February 13, 2013



The Association for Postal Commerce has shared its thoughts on the paper published by the National Academy on Public Administration concerning the "Restructuring the U.S. Postal Service: the Case for a Hybrid Public-private Postal System."

A summary of today's Senate postal hearing has been posted on this site.

American Forest & Paper Association: Successful resolution of the postal financial crisis will require Congress, USPS leadership, and regulatory authorities to work together to enable the Postal Service to operate within the new market realities. Changes in service standards, network and processing infrastructure, reduction and integration of postal office services into a more effective business footprint, new revenue opportunities, and changes in labor cost structure must all be considered as Congress works to find a solution. Uncertainty about the reliability of the Postal Service and cost to transact business through the mail, or stopgap measures that are not a part of a coordinated plan must be eliminated as soon as possible to prevent mail volume and revenue losses from accelerating even faster.

Ecentre Daily Times: Internet or not, the U.S. mail should remain an important and healthy piece of national infrastructure. So if the postmaster proves to have forced some overdue political decision-making about the future of his agency, he will have delivered a message that's crucial to the country's future.

DC Velocity: Western regional parcel carrier OnTracwill launch a delivery service later this year in conjunction with the U.S. Postal Service, a move that will give retailers a fourth major package delivery option in a territory of 60 million buyers. The service, which hasn't been formally named, is slated to begin in late August or early to midSeptember, according to Mark Magill, director of business development for Phoenix-based OnTrac. The company has hired Andy Webber—who had been vice president of operations for DHL Global Mail, a unit of DHL—to head operations for the new venture. OnTrac has been granted authority by USPS to begin the service and will spend the next few months putting the necessary equipment and systems in place to launch in late summer, according to Magill.

Pravda: To reinvigorate the postal service, current head of USPS Patrick Donahue proposed eliminating 15,000 unprofitable branches and cutting 120,000 jobs. It would seem as a logical business strategy, but the Americans are horrified by it. While the decision is unpopular, it will have to be taken. This story would have been no more than an amusing incident to the Russians if it had not been for one thing. Even considering all the differences between the two countries, the role of postal service is quite similar due to comparable distances and remote locations. It would not be a bad idea to look at the American experience as the U.S. is looking for a compromise that can save the single postal network at a reasonable cost.

The Capital Times: The austerity agenda that would cut services for working Americans in order to maintain tax breaks for the wealthy — and promote the privatization of public services — has many faces. Most Americans recognize the threats to Social Security, Medicare and Medicaid as pieces of the austerity plan advanced by House Budget Committee Chairman Paul Ryan, R-Janesville, and the rest of the Ayn Rand-reading wrecking crew that has taken over the Republican Party. But it is important to recognize that the austerity agenda extends in every direction: from threats to food stamps and Pell grants, to education cuts, to the squeezing of transportation funding.

The Oregonian: Donahoe lacks the courage to challenge Congress to do the right thing and fight for that strategy. Instead, Donahoe's shrink-to-survive strategy is one of retreat and ultimately defeat. Any leader who sabotages his competitive advantage, in this case Saturday delivery, deserves to be replaced. Donahoe's path of least resistance will ultimately lead to the demise of a vital piece of American infrastructure. When it comes to bold leadership, Donahoe is no general.

The half ray count is designed to curb the corporate welfare that "worksharing" discounts have become."

EC-SPAN: The Senate Homeland Security and Governmental Affairs Committee holds a hearing on problems facing the U.S. Postal Service. The hearing examines the U.S. Postal Service's financial troubles and potential solutions, which include cost cutting, increased productivity and legislative and regulatory changes. According to the committee, the Postal Service has defaulted on two payments to the U.S. Treasury, reached its \$15 billion borrowing limit, and ended FY2012 with a record loss of \$15.9 billion. Rep. Darrell Issa (R-CA) and Rep. Elijah E. Cummings (D-MD) testify on the first panel, followed by U.S. Postal Service Postmaster General and CEO Patrick Donahoe and U.S. Comptroller General Eugene Dodaro on a second panel. A third panel includes: Cliff Guffey, president of the American Postal Workers Union; Jeanette Dwyer, president of the National Rural Letter Carriers' Association; Robert Rapoza, president of the National Association of Postmasters of the United States; Joel Quadracci, chairman, president and CEO of Quad/Graphics Inc.; and Richard Geddes, associate professor of the Department of Policy Analysis and Management at Cornell University. Sen. Tom Carper (D-DE) chairs the committee.

World Bulletin: Turkey's postal service PTT will cooperate with the Islamic world. Director General of the PTT, Osman Tural, said Wednesday they were working on forming a new structure on cooperation among 57 member states of the Organization of Islamic Conference (OIC) member states. It was said that OIC member countries would form an international organization of postal unions.

Just in case you missed the webinar lead by Shahrom Kiani on "USPS Spring Promotion: Direct Mail Mobile Coupon / Click-to-Call - Easy Steps to Participate," you can still do so by going to: https://www1.gotomeeting.com/register/297268001, The slides for this presentation are also available on this site.

<u>CEP News</u> (Courier-Express-Postal), published by the <u>MRU Consultancy</u>, has reported that:

Belgian media speculated about the post's IPO again.

The Federal Network Agency's advisory body's request to examine labour conditions on Germany's postal market (CEP-News 06/13) caused some irritations. Market observers agree that the advisory body published its decision prematurely.

Union ver.di recommended a wage increase of 6.5% for the upcoming collective negotiations with postal operators, forwarding companies and logistics providers in Germany.

Parcel service Hermes can offer its German customers the delivery of catalogues again. Last week, the parcel service announced the start of a co-operation with TNT Post Germany.

UPS has expanded its activities in the British B2C business as planned. Last week, the integrator announced the launch of UPS Access Point. With this service, customers can collect their ordered goods from different stores. According to the company, the network comprises 500 convenience stores, newsagents and gas stations from the beginning on. Until June this year, some 1,500 collections points should be available.

●In January, Yamato, Japans leading CEP and logistics service provider, recorded higher volume growth than in the previous month.

After there was increasing evidence in the USA that Amazon will offer sameday deliveries in agglomerations, the online giant now provided a tangible economic reason for such services.

After Australia Post bought Qantas out of their joint venture Star Track Express last year, the post apparently prunes management ranks now.

DHL sold its local entity in Zimbabwe.

The Spanish post has to prepare for resistance from the unions against the implementation of its new mid-term strategy, which was presented at the beginning of the year.

Swiss Post took over digital document management specialist Scalaris AG.

The Hungarian post currently examines whether it could buy into the Romanian post. Sometimes things just need more time than expected'. Frank Appel, CEO of Deutsche Post, described the development of the E-Postbrief with these words in an interview with daily news »Frankfurter Allgemeine Zeitung« (01.02). At the same time, Appel stressed that Deutsche Post had 'a long staying power' concerning the online mail service and that he was still convinced that there 'will be a demand for a trustworthy communication in the internet'.

Swiss Post announced the launch of vivates, an electronic patient record.

An increasing number of German retail chains are encouraging their customers to collect online ordered goods at a brick and mortar branch.



The MRU, founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. To learn more about the stories reported above, contact CEP News. (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)

<u>Wall Street Journal</u>: The U.S. Postal Service's move to eliminate Saturday delivery without permission from Congress has lawmakers fuming with some suggesting the move could backfire on the troubled agency. Lawmakers on both sides of the have spoken out against the plan. Senate Majority Leader Harry Reid (D., Nev.) said U.S.

Postmaster General Patrick Donahoe's announcement "damaged his reputation with congressional leaders." Sen. Susan Collins (R., Maine) said the plan "is inconsistent with current law and threatens to further jeopardize" the Postal Service. The amount of trouble this might cause U.S. Postmaster General Patrick Donahoe may become more apparent on Wednesday at a Senate hearing. Mr. Donahue bucked a 30-year old mandate when he moved to eliminate Saturday delivery in August without Congressional blessing. The move is estimated to save \$2 billion annually.

PostCom Urges Congress to Pass Meaningful Postal Reform"

Post & Parcel: Latvian Post quadrupled its profits in 2012 compared to the year before, as a major restructuring cut costs and improved service quality. Latvian Post said during 2012, its new board implemented structural reforms across the company designed to cut costs and improve efficiency, while improving service quality and customer service levels. New and upgraded services were also introduced.

<u>Press Release</u>: decision/analysis partners LLC has announced that it will be offering a free postal webinar series designed for advanced and emerging economy postal operators.

- The Adaptable Post Concept Feb 28
- Combating Postal Revenue Leakage Mar 21
- Evaluating and Implementing Delivery Sequencing Apr 18
- Measuring Postal Performance May 16
- Evaluating Postal Automation for Middle Income Countries Jun 20
- Improving Delivery Management Jul 18
- Are Parcel Terminals for You? Aug 15
- The Concept of Postal Platform and its Applications Sep 19
- Carrier Owned Delivery Routes Oct 17

You can sign up to receive announcements about each webinar at: http://eepurl.com/cfUWr. A complete list of webinar with open registration links can be found at: http://www.decisionanalysis.net/dapnewsblog/category/dapnews/

Rep. Grace Meng: U.S. Rep. Grace Meng (D-Queens), joined by virtually all members of New York's Congressional delegation, this afternoon sent a bipartisan letter U.S. Postmaster General Patrick Donahoe blasting his decision to eliminate Saturday mail delivery and demanding that he reconsider the plan. The correspondence, spearheaded by Meng, is signed by Reps. Michael Grimm (R-NY), Nita Lowey (D-NY), Jose Serrano (D-NY), Bill Owens (D-NY), Timothy Bishop (D-NY), Yvette Clarke (D-NY), Joseph Crowley (D-NY), Eliot Engel (D-NY), Chris Gibson (R-NY), Richard Hanna (R-NY), Brian Higgins (D-NY), Steve Israel (D-NY), Hakeem Jeffries (D-NY), Peter King (R-NY), Daniel Maffei (D-NY), Carolyn Maloney (D-NY), Sean Patrick Maloney (D-NY), Carolyn McCarthy (D-NY), Gregory Meeks (D-NY), Jerrold Nadler (D-NY), Charles Rangel (D-NY), Tom Reed (R-NY), Louise Slaughter (D-NY), Paul Tonko (D-NY), and Nydia Velazquez (D-NY). The letter contends that by ending Saturday delivery, the Postal Service is ignoring the intent of Congress, shrinking their business model and profit opportunities and complicating the House and Senate's efforts to continue with comprehensive and bipartisan postal reform.

Featured Story: Enjoy bowling? How about rock climbing and motorcycle riding? A letter carrier receiving Office of Workers' Compensation Program (OWCP) payments for reported wrist, elbow, and shoulder injuries enjoys doing all three. OIG special agents received a tip that the letter carrier was exceeding stated physical limitations while receiving OWCP payments. Special agents observed the carrier riding a motorcycle without a wrist brace and exhibiting no pain. Agents also learned that the letter carrier earned income by evaluating a sports facility, but asked to be paid "under the table," so it would not impact receiving disability income. Special agents captured the carrier on video bowling several games and climbing a rock wall. The carrier was not wearing a wrist brace or exhibiting pain during these activities. The termination of the letter carrier's OWCP payments resulted in a cost avoidance to the U.S. Postal Service of \$1,004,912. In October 2012, the carrier pleaded guilty in a California state

court to a charge regarding a fraudulent claim in order to receive a health care benefit. As part of the plea agreement, the letter carrier agreed to restitution of \$63,000. Sentencing is scheduled for late 2013.

February 12, 2013

Attention Postal One! Users: PostalOne!® Release 33.0.2: This patch release to repair known issues in PostalOne!® will be deployed during the scheduled maintenance window of 4:00AM CT through 8:00AM CT on Sunday, February 24, 2013. During this outage, PostalOne! and Mail.XML® will be unavailable including FAST®, and eDOC Web Services. There will be NO new Mail.Dat Client. We apologize for any inconvenience. If you have any further questions please contact the help desk at 800-522-9085.

Phonearena: Love it or hate it, the print magazine business is continuing to dwindle due to its collision with the increasingly popular smartphones. Last year, for example, magazine circulation in the US has reportedly dropped 9.5%, and the blame is put on smartphones. Here's the explanation: According to the Alliance for Audited Media, people have stopped paying attention to the magazines on the impulse-buy racks at supermarkets. While waiting in line at checkout, instead of looking for what other stuff to put in their cart, customers often prefer to just take a look at their phones and do whatever they do with them. It seems the market watchers have identified this phenomenon as "mobile blinders," as it makes consumers "blind" to certain types of products. Some popular magazines have seen quite a drop in sales last year. Cosmopolitan, for example, has recorded a drop of 18.5% in single copy sales. Other publications that have registered significant loss of circulation include People and Star.

Press Release: FedEx was the U.S. Postal Service's largest contractor in fiscal year 2012 in a list of the agency's Top 150 suppliers compiled and released today by Husch Blackwell's Postal Service Contracting practice group. This marks a decade of Federal Express Corporation holding the No. 1 spot on the list. The next largest USPS supplier is military mail shipper Kalitta Air. Six of the Postal Service's top ten suppliers served the agency's transportation needs. The list is compiled annually by David P. Hendel, a partner in the firm whose government contracts practice focuses on Postal Service contracting matters.



<u>The Washington Post</u>: The collateral damage of shutting down Saturday delivery and hours will be extensive — particularly in inner cities and rural areas, where small businesses and working families rely on local post offices, many of which are already scheduled to be shut down.

Postal Technology International: Cambridge Consultants has launched a new sensor systems and app that will allow users to keep track of parcels during transit. The DropTag enables customers to see whether their package has been dropped or damaged during delivery and will also provide delivery companies and manufacturers with reliable real-time information about the status of packages being transported.

International Postal Corporation: Market Flash Market Flash Issue 459 | 12 February 2013 In this issue. Top story: Small business succeeds on the international stage. Canada Post goes mobile with epost digital mailbox. USPS customers show their trust. DHL Express modernises its US air fleet. Fedex offers new deep frozen transit solution. Pension charge brings fourth-quarter loss for UPS. Fedex package monitoring wins innovation award. Japan Post and JAL offer international food service. NZ post subsidiary sells pallet-load carrier. Parcel lockers come to Israel.Fedex trade networks expands to Thailand. DPD develops its consumer services. Royal Mail advises on international e-commerce. PostNL supports online move by DIY retailers. Swiss Post launches electronic patient record system. GLS to raise German rates for businesses from April. Itella announces customer for its new logistics centre. Swiss Post launches postcard mailing app. PostNord buys second Norwegian fish carrier. Road trains save costs for TNT Express.

<u>Wall Street Journal</u>: Americans are growing increasingly comfortable using their mobile phones to conduct basic financial transactions, sending banks racing to offer new technology that will cut down on costly customer-service calls and branch visits.

Sun Herald: "Confederate postal services suggest folly of USPS strategy."

Postalnews Blog: PMG Pat Donahoe has announced the appointment of Joshua D. Colin as Eastern Area VP.

Orange County Register: Instead of kicking the can down the road (one thing that Congress is actually good at) policymakers should be considering privatizing mail delivery. In a competitive free market, customers might choose six-day delivery, or five-day delivery, or one-day delivery, etc., etc. Entrepreneurs would have an incentive to tailor services to satisfy customers and to seek new cost-effective delivery methods. Prices would be higher or lower depending on what customers want as is the case with any other service provided by the market.

Fox News: The following is from a transcript of a Fox News show:

JONATHAN HOENIG: The constitution says that congress can establish a postal service; it doesn't say it has to own, run or monopolize it. In fact, as you pointed out, they are losing billions and billions of dollars year, after year, after year. That is because it is run for political purposes and not economic purposes. If you privatize the post office you would see hundred billion dollars come in to the government. You would also see much better outcomes, not unlike when stock commissions or airfares were deregulated in the 70s, or even in the postal services that have already been privatized in France, in Germany, in Denmark -- worldwide.

WAYNE ROGERS: Not that I know of. To Jonathan's point, we have privatized certain amounts. Sixty years ago, seventy years ago there was no FedEx, there was no DHL, there were none of those private mail services. In fact, it shows that the private sector can do it better; when it delivers on time, it works. All of those private companies work very well. We ought to privatize the Post Office as soon as possible and get rid of all of this.

[EdNote: And which company run by directors in their right mind would want to take on the delivery of mail, a dwindling delivery business prospect, a universal service obligation, a nattering congressional and regulatory overseer, and an unpaid pension obligation? It's not as if the government would be selling the crown jewels. Get real, people.]

The Daily News: Every day, one of our Editorial Board members gets a few dozen emails at work. Days can go by between pieces of mail from the U.S. Postal Service, however. It's a similar story at home, where correspondence from family and friends, messages from his daughter's school and reminders about bills all come by email. In most American offices and homes, it's easy to understand why the Postal Service is proposing to end Saturday mail delivery in August to lessen its ongoing financial losses. Our means of communicating have changed dramatically during the past decade, and the USPS wants to downsize accordingly.

Poynter: In a brief filed Monday, the Newspaper Association of America says the U.S. Postal Regulatory Commission "has given one company a price incentive to move advertising inserts out of newspapers delivered to consumers' homes." That company is Valassis Communications, which the NAA said got a "sweetheart deal" last summer — one that "could lure more advertising away from newspapers," The New York Times reported at the time.

Examiner.com: Last week, the United States Postal Service announced that it would be ending Saturday deliveries in an effort to stop massive losses. While there was much discussion of the move, there was no significant discussion of why there is a government monopoly of delivering mail in the first place, and what reason, if any, there might be for not turning over such a civic function to the private sector. Let us consider a challenge that was made to the state monopoly on postal service in an earlier period of American history. In 1844, a young lawyer named Lysander Spooner began to study the current status of mail delivery in the United States. He found that

sending a letter from Boston to New York City cost 18.75 cents, and sending a letter from Boston to Washington, DC cost 25 cents. In 2012 dollars, this would be \$5.68 from Boston to New York City and \$7.58 from Boston to Washington, DC. The cost of mailing letters was so high that a barrel of flour cost only 50% more to ship than a simple letter.

<u>Battle Creek Enquirer</u>: An overwhelming majority of Americans support the Postal Service's plan to end Saturday delivery, but the overwhelming majority of Americans, you might recall, have astonishingly little sway in Congress these days. [EdNote: Then why do people keep electing politicians who are not particularly motivated to serve as the public desires?]

EcommerceBytes: In an exclusive interview with MSNBC on Saturday, Postmaster General Patrick Donahoe revealed that USPS would soon start delivering packages on Sundays. "In some areas, we'll be delivering packages on Sunday starting soon, so that's a big innovation," he said. When asked when that would happen, he declined to provide details, saying, "It's going to happen soon. I'm not telling you anything else. Just watch for your letter carrier in your neighborhood." "We've heard customers loud and clear. Deliver packages on Saturday if you can," Donahoe said. He also said the USPS is getting into secure digital messaging.

Ruralinfo.net: The surprise announcement on Saturday that the USPS would begin offering 7-day package delivery came only days after the organization announced a move to 5-day mail delivery – except for packages – as it faces a worsening financial situation that congress has yet to address.

February 11, 2013

Government Executive: Given all the constraints on government operations in areas ranging from procurement to personnel management, the challenge of making a federal organization run efficiently is simply much greater than it is in the private sector. Under the circumstances, the achievements of an organization like the Postal Service should be celebrated, not mocked. And if we as a country demand that it deliver mail six days a week while setting aside billions of dollars to cover the retirement benefits of its workforce, then we should be prepared to pay the price for that decision.

News & Tech: While the National Newspaper Association blasted last week's announcement by the U.S. Postal Service that it would end Saturday home delivery this summer, the Newspaper Association of America had a more nuanced response. The NNA, which represents smaller papers and weeklies that are more dependent upon postal delivery, said the USPS "is moving further and further away from the universal service the American public expects," according to NNA President Merle Baranczyk. Paul Boyle, senior vice president of public policy for the NAA, said the NAA, too, is "sympathetic to the financial challenges" facing the USPS, adding that the steps. "We are advising our members that (ending Saturday delivery) is inevitable down the road, so prepare now."

Federal Times: The U.S. Postal Service's plan to end Saturday mail delivery this summer could erase the equivalent of some 35,000 full-time jobs, according to an internal agency document obtained by Federal Times. That figure is higher than the one officials cited last week.

Pushing the Envelope: "Fuel For Thought" The Postal Service is a leader among federal agencies in sustainability efforts. In 2009, it joined with 20 international postal operators to commit to a 20 percent reduction in carbon emissions by 2020, a goal it has made significant progress toward achieving. A major contributor to greenhouse gas emissions is vehicle emissions. With the largest civilian fleet in the country – more than 213,000 vehicles – the Postal Service has both an enormous opportunity and an enormous challenge in reducing its fuel consumption. So far, the challenges have proved considerable. In its most recent sustainability report for fiscal year 2011, the Postal Service reported that while it met its sustainability goals in six categories, it did not reach its target for reducing petroleum fuel consumption in its own vehicles or in those used by contractors. A growing number of delivery points each year and an aging vehicle fleet have made it difficult for the Postal Service to reduce its petroleum use. Although the Postal Service has worked diligently towards its goal of using alternative fuels, real gains in energy efficiency will be limited until it can overhaul the fleet. Unless the Postal Service's financial situation improves or it finds alternative methods for capital investment, it is not likely to replace its

existing fleet of vehicles. This raises questions about the limitations on the Postal Service's ability to reduce its petroleum fuel use and how it can best leverage alternative fuel options. How should the Postal Service achieve its fuel consumption goals when its financial situation is so dire? Should it suspend some of its sustainability efforts while tackling its larger financial and business model challenges? The Sustainability Report indicates that sustainability efforts make financial sense, with savings from reduced fuel use and new revenue from recycling products. Could the savings and revenues be used creatively to fund new energy-savings projects?

Audit Projects: Rural Delivery Mail Count Data Controls – 13XG024DR000 -- Our survey objective is to assess the controls over rural mail count data. Mail counts are used to assemble data that provides the basis for individual rural route evaluations, as well as, data that is used by Postal Service Finance as part of their Rural Carrier Cost System (RCCS). Rural mail count data must be collected and processed accurately to ensure rural carrier cost estimates have integrity. The 2006 Postal Accountability and Enhancement Act (PAEA) require the Postal Service to report annual costs, revenues, volumes, and quality of service to the Postal Regulatory Commission. To comply with the PAEA, the data collected through the RCCS enables the Postal Service to allocate costs to each mail category, which aids in determining postal rates.

San Angelo Standard-Times: In a daring move to cut costs, Postmaster General Patrick Donahoe last week announced that the service is planning to end Saturday pickup and delivery of letters, although letter carriers will continue to deliver packages, one of the few growth areas for the USPS, and priority and express mail, but no magazines, newspapers, catalogs or Netflix. The move is daring because Congress has expressly required six-day delivery since 1981, but that requirement was somehow omitted from a stopgap resolution last fall temporarily funding government operations through March 27. Congress could reinstate the requirement, but Donahoe is betting that by then the public will have grown used to the idea and that lawmakers, prone to burdening the Postal Service with mandates they don't pay for, will see the virtues of the savings. Congress gives a lot of lip service to running government agencies "like a business." Here's its chance to support an entity that is actually trying.

<u>Lawrence Journal-World</u>: Perhaps it's time for Congress either to support the USPS decision to discontinue Saturday delivery or to rescind the onerous requirement that it set aside funds for future contingencies. Push is coming to shove.

The Press-Enterprise: whether the Postal Service actually will drop a day of mail delivery is far from certain, because it is not clear if the step is legal. The Postal Service has raised the possibility of shifting to a cost-cutting five-day delivery schedule since the 1970s, but Congress has always blocked that step. Donahoe says the federal government's current stopgap funding bill allows the Postal Service to act, but Congress may disagree. That legal dispute, however, highlights a prime reason for the agency's red ink: congressional interference. The Postal Service cannot prosper when Congress blocks practical options for trimming expenses. Losing one day of mail delivery will hardly inconvenience most people in an age of email and wireless communications. And that step is more palatable than continued losses and ever-rising postal costs — or the eventual insolvency of the nation's postal service. The agency also needs the authority to slim down an oversized organization into something more nimble and competitive.

Livingston Daily: It is time to step away from short-term fixes — such as the Saturday decision and the threatened closures of small post offices, which are often blocked by local members of Congress. Instead, the Postal Service needs to be reshaped into a European-style service where it loses its monopoly status but is free to compete on a much wider scope. This will not be an easy step for many in Congress to approve. A revamped Postal Service could compete with companies that now contribute to political campaigns. It could greatly change the way it offers — and charges — for services. It could greatly change its product lines.

February 10, 2013

<u>Watertown Daily Times</u>: Some traditions die hard. But the Postal Service has to operate more efficiently in a changing world, even if it means ending Saturday delivery.

The Gadsden Times: The Postal Service has for years sought to cut mail delivery to five days. President Barack Obama favors the move; opinion polls show the public does as well. Still, Congress — which controls the Postal Service's operations, even though as an independent agency it receives no federal funding for general operations — to date has refused to sign off on the change. There are the technologically uninclined elderly, folks who live in remote rural areas, publishers and advertisers who want to get their products into the hands of readers in a timely fashion. More partisan and conspiratorial observers have labeled it another step in a deliberate effort to destroy the Postal Service. Those voices certainly will be noted, but we think there's a good chance this cutback finally will be enacted — as it should be.

Enter Huntington Herald-Dispatch: After the U.S. Postal Service announced last week that it intends to stop Saturday delivery of mail in August, the criticism poured in from a variety of fronts, including several lawmakers. Rural residents will suffer, the critics said, as will commerce. And the Postal Service will only be hurting itself, they claimed. But, really, what did the critics expect? They can't simply ignore the fact that the public's increased use of electronic technology -- primarily the use of email -- at the expense of traditional mail has hit the Postal Service's bottom line hard in recent years. Nor should they discount that the Postal Service has been in a relationship with a Congress that likes to limit the agency's options, hold the agency up to standards that are not even demanded of federal agencies and yet refuses to provide any subsidy whatsoever.

The Macon Telegraph: Several members of Congress as well as business organizations and postal unions oppose the move that would save USPS \$2 billion annually. And the battle has been extended to whether the nix of Saturday delivery has to be approved by Congress or not. Congress' involvement makes the USPS less competitive. The agency isn't nimble enough to make timely changes as its business model comes under attack from all sides as FedEx and UPS, the computer and smartphone chip away at its business. Plus, Congress put a huge millstone around the agency's neck by requiring it to fund future health benefits to retirees, something other agencies and businesses are not required to do. While we understand the why of such a requirement, it costs \$5.5 billion annually. That only hastens the day when Congress will have to further subsidize mail delivery if it wants it to continue its constitutional mandate, because the course the agency is on -- pulled by political realities -- is unsustainable.

Bowling Green Daily News: The Postal Service has faced declining mail delivery in recent years due to increased use of emails and other Internet services. It appears the Postal Service had little choice in making this decision. For the past several years, it has advocated shifting to a five-day delivery schedule for mail and packages. The Postal Service repeatedly appealed to Congress to approve the move, but sadly Congress was no help, essentially turning a blind eye to the agency's growing problems. Those arguing against the move such as Fredric Rolando, president of the National Association of Letter Carriers, said it was a horrible move and that the change "flouts the will of Congress, as expressed annually over the past 30 years in legislation that mandates six-day delivery." We believe Rolando is wrong. If Congress had perhaps acted to assist the Postal Service, that might be the case, but it didn't. Since Congress failed to act, the Postal Service seemed to have little choice but to take matters into its own hands. Continuing the status quo of losing billions of dollars a year doesn't seem like a viable option. Another issue that is costing the Postal Service a lot of money is their union contracts, which don't allow layoffs. In the face of drastically declining mail delivery, their workforce can only be reduced by attrition. This is costing the agency considerable money.

Daily Camera: For years, U.S. Postal Service officials have threatened to cut Saturday mail delivery if only Congress would let them. But Congress refused. On Wednesday, USPS leaders stopped waiting for the feckless lawmakers -- "We want you postal officials to balance your budget but don't reduce service" -- to act. The USPS announced a bold move to cut mail delivery, but maintain package delivery, on Saturdays. That will begin in August and save the capsizing USPS about \$2 billion a year. USPS officials believe they have the authority to do this ... unless Congress intervenes. Memo to Congress: Don't. What is unacceptable is Congress allowing the USPS to hemorrhage to death. Unleash the Postal Service to innovate and compete. No holds barred. Let's find out if the Postal Service or other carriers can serve customers better. Otherwise, this won't be the last SOS from the USPS.

The Syracuse Post-Standard: The U.S. Postal Service, its cost-cutting efforts stymied by Congress at every turn, finally took matters into its own hands Wednesday. Postmaster General Patrick Donahoe announced a plan to cancel Saturday mail delivery starting in August, while keeping post offices open and continuing to deliver packages on Saturdays. That should get Congress off its duff. Postal Service overhaul legislation has been languishing for too

long. Central New York's representatives on both sides of the aisle were quick to say they'll fight the cuts. That may be popular with constituents, postal workers and the postal workers' union, but it ignores some dire realities. Congress must act quickly to preserve and strengthen our national mail service – and that means letting the postmaster's hard decisions stand.

Egailsburg Register-Mail: The U.S. Postal Service plans to end the delivery of first-class mail on Saturdays beginning the first week of August. Local business owners do not seem too upset by the change, although the move will have some effects. Ben "Stone" Stomberg, owner of Stone Alley Books & Collectibles, called it "more of an inconvenience and not that much of an inconvenience." Stomberg said he doesn't see the change having any economic effect on his business. Laura Ernzen, vice president of marketing for IH Mississippi Valley Credit Union, was asked if she sees the move having much effect on the company's business. "I really don't," Ernzen said. "It's just a very, very small impact on us." She said not as many people are dropping payments in the mail, because of other payment options, such as online banking or dropping by a branch.

Wyoming Tribune Eagle: Local residents don't seem fazed by the U.S. Postal Service's plan to reduce mail delivery to five days a week. That is in line with market research conducted by the agency. In its announcement of the plans for service change, the Postal Service reported seven out of 10 Americans support the switch. "If it keeps the cost of stamps down, it works for me," said Ron Newnum as he left the downtown post office Friday afternoon. Other customers agreed.

Norwich Bulletin: When Speaker of the House John Boehner was asked last week about the U.S. Postal Service's decision to end Saturday home delivery after August, his response was: "Congress has to act." You think? Maybe someone should remind the speaker that it's not Congress that didn't act to ward off this change, it was him. Back in April, that dysfunctional institution that can't seem to get out of its own way — the U.S. Senate — did the near impossible and actually passed a bipartisan postal service rescue bill. That bill sat on Boehner's desk for eight months. He never sent it to committee for review, never called it for debate, never put it to a vote. He never even asked any House committee to come up with its own version.

Bend Bulletin: R. Richard Geddes of Cornell University and James S. O'Rourke of the University of Notre Dame -- Why can't the Postal Service make money delivering mail? Because it got complacent holding a monopoly. The U.S. Postal Service has a legal monopoly on the non-urgent delivery of letters. It used to be an extremely valuable asset. The monopoly was so valuable, in fact, that the agency built its future around the lucrative first-class letter business. With the profits from first-class mail, the Postal Service priced the delivery of newspapers and magazines at well below cost. In 2006 alone, the USPS subsidized periodicals to the tune of \$273 million. The profits from first-class letter monopoly also allowed the Postal Service to stand by while private companies dominated the now crucial parcel-delivery business. The Internet eventually made letters obsolete; gas prices surged; and health care and retirement costs rose beyond projections, turning letter delivery from a cash cow into a burden. (The true cost of delivering a letter is likely more than twice what we now pay.) The collapse of first-class mail was inevitably going to damage the agency. Many observers believe, however, that the Postal Service could have survived those challenges, and even prospered like other delivery companies, if it hadn't relied so heavily on the profits from its exclusive letter-delivery business. The monopoly is a curse in another way: When the government grants a monopoly, it demands the right to regulate in return. The Postal Service has to petition the Postal Regulatory Commission, and sometimes Congress, whenever it wants to make a substantial change to its business model. Federal officials have opposed attempts to save money by closing remote post offices and cutting Saturday delivery in the past. The USPS also has the government looking over its shoulder in labor negotiations.

Wall Street Journal: I can think of only one reason to continue U.S. Postal Service delivery on Saturdays: An astonishing number of Americans still believe in Santa Claus. U.S. Sen. Susan Collins (R., Maine) issued this statement: "The Postal Service is the linchpin of a \$1 trillion mailing and mail-related industry that employs more than eight million Americans in fields as diverse as direct mail, printing, catalog companies, magazine and newspaper publishing and paper manufacturing." It was not an impressive defense since most of the businesses she mentioned are in structural decline. Meantime, package delivery—the part of USPS that isn't in decline—will continue on Saturdays, so plenty of viable commerce will continue as usual.

Genrally speaking, it doesn't seem as if the public press is much interested in throwing bouquets Congress' way.

Ocala.com: For the second quarter ending Nov. 30, FedEx Corp. saw its profit drop 12 percent to \$438 million, down from \$497 million a year ago. That was due in part to Hurricane Sandy, but also because airfreight customers are looking for cheaper ways to ship. At the same time, ground shipping revenue for the quarter rose 11 percent to \$2.59 billion, its operating profit was up 3.5 percent and average daily volume grew 8 percent. "There has been more a focus to grow out the ground network," said Logan Purk, an analyst with Edward Jones in St. Louis. "I would argue it's now the crown jewel of the company." Purk said ground has the best margins and returns.

February 9, 2013

Dead Tree Edition: The U.S. Postal Service acknowledged this week that the Flats Sequencing System has increased the agency's operating costs. On the same day it very publicly announced the planned cessation of most Saturday delivery, USPS released data confirming what Dead Tree Edition speculated about two weeks ago. (See So Far, FSS Is A Step Backward, USPS Data Indicate.) The data show that two of the three major types of mail processed on FSS machines – Standard (non-carrier-route) Flats and Periodicals – had experienced larger increases in processing costs the past two years than they had gained in delivery savings. As in the case of the other major category, Standard carrier-route flats, FSS apparently caused the spikes in mail-processing costs, USPS documents added. [EdNote: After making repeated requests that the USPS file with the Commission a strategic view of where it intends to go with its flats program, the Postal Service still hasn't filed with the Commission a darn thing to cause anyone to believe that FSS is anything but a failure. It looks as if some in the Postal Service believe that if it has to bleed red ink, then perhaps its customers should be made to bleed too.]

Eanton Repository: For more than three years, Congress has debated, but not enacted, legislation that would restore the financial solvency of the Postal Service. Last year, the Senate passed a bill that would have gone a long way to restoring the USPS to sound financial footing, but the House of Representatives did not even address the bill, and it died at the end of the last session of Congress. A simple relaxation of rules of the Postal Accountability and Enhancement Act of 2006 would save the Postal Service \$5.5 billion a year.

Florida Courier: The U.S. Postal Service's decision to eliminate Saturday delivery could disproportionally hurt minority groups, according to Rep. Elijah Cummings (D-Md.), the ranking member on the House Oversight Committee. "You're talking about just this reduction ... from six days to five days will cut anywhere from 25,000 to 30,000 employees. And with regard to Asian, African-Americans, and Hispanics, they comprise about 40 percent of the Postal Service employees," Cummings told Melissa Harris-Perry on MSNBC Friday night. "So it's logical to believe if they were to lose that 30,000 jobs, easily 40 percent of them would be African-Americans, Hispanics, and Asian-Americans." Cummings also pointed out that 40 percent of postal employees are female and warned that many are single mothers. "So you have a lot of women, many of whom are single women — head of household, and they depend upon that decent wage, decent working conditions and benefits to take care of their families," he said. "So, yes, it would have a devastating effect in an economy that is already very, very fragile." The U.S. Postal Service, which has been losing money for years due to decreased use, announced earlier this week that it would end normal Saturday delivery to save \$2 billion in annual costs. Lawmakers have previously fought hard against such a change, and while there is resistance to the idea this time, the outcry hasn't been as loud.

The Oakland Tribune: Unless Congress has intervened by now and sent a letter to the U.S. Postal Service -probably via FedEx -- declaring that first-class Saturday delivery simply must continue, we may be bereft of
weekend mailbox missives beginning on Aug. 1. The good news: no bills to ruin my Saturdays. The bad news: no
million-dollar checks to brighten my Saturdays and oh so many, many days after that. Call me crazy optimistic, but I
always run to the mailbox, eagerly expecting roughly a million dollars (it could be more, and that would be fine, too)
to arrive on any given day. It might be accrued interest from some long-ago, in-my-favor really big mistake by the
Internal Revenue Service. Or maybe Mark Zuckerberg will need Unless Congress has intervened by now and sent a
letter to the U.S. Postal Service, we may be bereft of weekend mailbox missives beginning on Aug. 1. (Mike
Blake/Reuters) (MIKE BLAKE) to unload some excess cash, randomly throwing darts at names of potential
beneficiaries in the phone book. Or perhaps a previously unknown-to-me relative will have died -- rest his or her
unknown soul -- leaving me some major coin.

Front Page Magazine: The United States Postal Service began as a reasonable and effective communications solution, but like everything touched by the government, it has become an employment agency, a collective bargaining program and a massive defunct pension fund. It's the pensions and benefits that make the Post Office unsustainable, but the same thing can be said about the public school system. The difference is that the United States Postal Service is not just unsustainable, it's of dubious relevance to the future. As personal and business communications continue to shift into the digital realm, the United States Postal Service exists as a way to cheaply ship packages, dump print spam in your mailbox and connect the unconnected. Not everyone in America has a computer or wants internet access, but the number of such people is going to continue dropping. And adding more personnel for an organization with no future is an unwise policy. The United States Postal Service is still necessary, but it's also a disaster area tied to a bad business model and a million ton weight of pensions. Just about everything has been tried from raising rates to closing branches, but the problem lies in pensions and benefits and those cannot be touched.

U.S. News: Snail mail, as it is so sneeringly called, is so 20th century, a relic from a time when we didn't have the technology to conduct electronic communications. That smug judgment has always been flawed, but became more glaringly so with the disclosure that the E-mail accounts of both former Presidents Bush had been hacked. It doesn't appear to be a national security threat, but certainly, a deep personal violation has been committed. And we are all vulnerable to it. Paying bills online, sending intimate notes electronically, sharing photos you wouldn't necessarily want everyone in the world to see—all of these are wonderful conveniences and enormous potential threats. The personal violations are bad enough, but once someone's financial records—an individual's, a bank's, or a corporation's—are hacked, the damage can be far-reaching and traumatic. Yes, mail can be stolen, but it's less likely to happen, since its simply more cumbersome for a thief to scope out an appropriate victim and then try to gain access to his or her bank records or personal information. There's something comforting about opening a locked mailbox and finding your sealed letters—especially since opening someone else's mail is a federal offense (something many a college student has pointed out to parents wishing to open the envelope with their children's grades). Does it take longer, and does it cost more, to get mail hand-delivered? Of course. But it's also safer, and critical to national security. It'd be pretty hard for a terrorist cell to take down the uniformed members of the U.S. Postal Service as they carry our letters and packages. It's alarmingly easy to mount a cyberattack. And if we phase out so-called "snail mail," where will we be if the Internet is disable or even just compromised? During Superstorm Sandy, many people in my neighborhood lost their Internet connections. Mine went out briefly. But I got my mail.

New York Times: Postal correspondence is far more secure than e-mail and far less vulnerable to cyberattack. By capitalizing on its expertise in scheduling and high-volume sorting, the Postal Service has the potential to become a big platform for digital commerce. It helped pioneer optical character recognition, now a widely used technology. But Congress and regulations have frustrated the post office from issuing secure e-mail addresses and expanding by providing same-day service for digital retailers, for example, while obliging it to bankroll money-losing operations like six-day delivery.

Blackburn News: Members of the Canadian Union of Postal Workers are holding a rally today in Windsor hoping to save jobs. Canada Post announced last month that through attrition they would be eliminating around 80 positions at the local plant. President of Local 630 Jeff Carroll says the move is unacceptable. "Why in a plant that had 96% we do local mail the next day, it would turn over that quick. Best in the country, best in Canada for the last five or six years and they're closing us down. I just don't see the business sense in it." The rally is also to save to old post office in Sandwich town. Canada Post announced it's plan to close the facility at the same time as the job elimination. MP Brian Masse along with the national union president Denis Lemelin will speak at the rally.

<u>Union News & Sunday Republican</u>: There may come a time – and not too terribly far into the future – when the thought of someone from the Postal Service delivering mail to each and every address in the land on each and every day will be a tale of another time. Few recall the era when the mail was so fundamental a part of daily life that there were actually two deliveries each day. People were writing letters, sending them off, awaiting a reply. There were folks, of course, who were beside themselves when the post office cut out the late-day delivery. Reality hasn't been standing still since then. When was the last time someone sent you a letter? When was the last time you mailed one? Sure, it can still happen from time to time, but it's awfully infrequent these days. And there's the switch to online bill payments, too. The volume is simply not there. The mail must still go through – just not like it used to back in the day.

<u>WHTC</u>: We could bail out the big banks, and even pass laws to guarantee they can't go under again! We bailed out the UAW controlled automotive industry. We even "invested" billions on failed alternative energy sources...all money out of our pockets going to bail out those who should have probably been left to fail, or to let the market "decide" their fate. Now comes the early warnings of austerity from the Postal Service yet where is the Obama administration with a bail out for them?

Ekabir News: The way things work now, the order is put together at a distribution center then turned over to the shipper who in turn feeds the package into their own system. This generally means the package has to travel to another distribution center before heading out for delivery. All that work isn't fast enough for same day. To accomplish that, the package has to go directly from Amazon's center to the customer. Enter the under worked USPS drivers and vehicles. The optimistic logic of this so-called "shared economy" just might be exactly the boost the in dire straits the flagging U.S. P.S. needs. Granted the postal service has a bit of work to do before they become the top choice for Amazon since the pilot program has been limited to a maximum of 200 packages a day. However, since there would be no need to hire extra drivers or put more trucks on the road, there is a good possibility that the test might just turn into a permanent arrangement.

The Edmond Sun: Changes expected in mail delivery may challenge business and institutions to make adjustments while others will not be impacted.

Santa Rosa Press Democrat: No obstacle is bigger than Congress, which retained the ability to micromanage the Postal Service even after it became an independent agency, required to subsist on its revenue. As losses mounted, Congress ignored pleas to free postal officials from restrictions on rates and mandates including six-day service.

Direct Marketing News: United States Postal Service CFO Joe Corbett kicked off today's press conference announcing first quarter results of USPS's 2013 fiscal year in a defensive tone. He noted that despite a healthy spike in holiday mail, package deliveries, and election mail in the first quarter, the Postal Service still showed a net loss of \$1.3 billion. "There is clearly something wrong with this picture," Corbett said. "We can't operate on the precipice. Customers deserve better."

Greensboro New & Record: Americans depend less on moving paper from one place to another and more on electronic communications and transactions. But they haven't given up on mail. Taking a delivery day away will make a difference.

Boston Herald: Unions are furious over the ailing organization's decision. The president of the American Postal Workers Union, Cliff Guffey, says that his union "condemns" the decision and claims that the Postal Service's decision "will only deepen the agency's congressionally manufactured financial crisis." Strong words — and false ones, too. Instead, Guffey should recognize that his union's years of demands have contributed to driving the Postal Service off its own fiscal cliff. In short: Despite the fact that the Postal Service has a congressionally-mandated monopoly on delivering First Class mail, its unwieldy union contracts keep the USPS from properly adapting to the marketplace. All told, employee compensation and benefits account for roughly 80 percent of USPS' costs. A 2010 report by the Government Accountability Office (GAO) notes that this "percentage ... has remained similar over the years despite major advances in technology and the automation of postal operations."

Las Vegas Review-Journal: The underlying problem of the Postal Service - other than the rise of e-mail - is the vastly expensive pension and retiree health care obligations which were imposed on it by past administrations. Some now suggest amending a 2006 law that forces the agency to pre-fund its pension plan. But is the solution to allow the service to run up vast new obligations under unsustainable union contracts, without salting away funds to cover them? That's a sure recipe for either vast tax hikes in the future, or broken promises to postal retirees. The problems of the post office are a microcosm of the unwillingness of our elected delegates in Washington to endure a little political pain in order to adopt obvious and lasting solutions.

<u>MENA-FN</u>: Saudi Arabia needs to adopt the postal money remittance system, especially since the Kingdom occupies second place globally in the value of remittances. The value of those remittances exceeded 32 billion in 2012, according to Saudi Post President Mohamed Saleh Bin Taher Binten.

February 8, 2013

Engadget: The Golden State's without a doubt at the forefront of the so-called green movement, and thus it shouldn't come as a surprise that UPS chose it as the destination for 100 of its brand-new electric trucks. This initiative is a natural expansion of UPS' eco-friendly scheme, as the delivery behemoth has already implemented something similar in New York City and Europe, with nearly 30 roadsters currently being operated around those areas. It's also worth noting that's only a small chunk of the more than 2,500 "alternative fuel vehicles" on the company's roster, which includes more electrics, hybrids and others with natural gas technologies. In California, meanwhile, the 100 delivery EVs mark the culmination of a plan that started back in 2011, and will see UPS take these (and all of their 75-miles-on-a-single-charge goods) to a few West Coast cities, such as Bakersfield, Fresno, Sacramento and San Bernardino.

<u>VOA News</u>: The head of the U.S. Postal Service has dismissed union calls for his removal, saying his controversial plan to reduce Saturday mail service is necessary to prevent one of America's oldest institutions from suffering the same demise as other iconic industries.

U.S. Senate Homeland Security and Governmental Affairs Committee Chairman Tom Carper released the following reaction to the announcement that the U.S. Postal Service lost \$1.3 billion in the first quarter of fiscal year 2013:

"The U.S. Postal Service continues to suffer unsustainable losses that threaten its long-term viability. Since August 2012, the Postal Service has defaulted on two payments to the U.S. Treasury, reached its \$15 billion borrowing limit, and ended fiscal year 2012 with a record loss of \$15.9 billion. Therefore, it should come as no surprise that today the Postal Service announced it lost \$1.3 billion in the first quarter of fiscal year 2013. While these losses are an improvement compared to its historic \$3.3 billion loss in the first quarter of fiscal year 2012, it certainly makes it clear that the Postal Service continues to face financial challenges that can only be alleviated by comprehensive postal reform legislation. It is critical that Congress works together to pass a bipartisan and comprehensive bill as soon as possible – and this news should underscore that sense of urgency. While the Postal Service's losses are due in part to a continued decline in First Class mail and operating revenue, a significant aspect of loss can also be attributed to its retiree healthcare costs, something my colleagues and I addressed in our postal reform bill that passed the Senate last year.

"Now that the 113th Congress is officially underway, I have made it one of my top priorities during my first weeks as chairman of the Senate Committee on Homeland Security and Governmental Affairs to pick up last year's postal reform negotiations where they left off, beginning with a hearing next week to examine the financial crisis at the Postal Service and the potential solutions. As I've said time and time again, the Postal Service needs comprehensive legislation that reforms, right-sizes and modernizes this American institution. Although the Postal Service has made some progress in trimming costs – which is welcome news --far more work remains to make its outdated business model financially viable long term. Piecemeal efforts like those announced in recent days and months will not be enough to solve the Postal Service's financial challenges for the long haul. I hope my colleagues and the Administration share my sense of urgency to solve this situation and join me in working to find a bipartisan and comprehensive legislative solution to the Postal Service's serious but solvable financial crisis."

Here's your Wednesday Senate hearing line-up:

Solutions to the Crisis Facing the U.S. Postal Service

Committee on Homeland Security and Governmental Affairs February 13, 2013 10:00AM Location: SD-342, Dirksen Senate Office Building

Member Statements

Chairman Thomas R. Carper D (DE) Senator Tom Coburn R (OK)

Witnesses

Panel I

The Honorable Darrell E. Issa, U.S. House of Representatives The Honorable Elijah E. Cummings, U.S. House of Representatives

Panel II

The Honorable Patrick R. Donahoe, Postmaster General and Chief Executive Officer, U.S. Postal

The Honorable Eugene L. Dodaro, Comptroller General of the United States, U.S. Government Accountability Office

Panel III

Cliff Guffey, President, American Postal Workers Union Jeanette P. Dwyer, President, National Rural Letter Carriers' Association Robert J. Rapoza, President, National Association of Postmasters of the United States Joel Quadracci, Chairman, President, and Chief Executive Officer, Quad/Graphics, Inc. R. Richard Geddes, Ph.D., Associate Professor, Department of Policy Analysis and Management, Cornell University



At the Postal Regulatory Commission:

- Postal Service's 10-Q: http://about.usps.com/who-we-are/financials/financial-conditions-resultsreports/fy2013-q1.pdf
- Form 8-K, Current Report Financial Results for the Period Ended on December 31, 2012 http://www.prc.gov/docs/86/86447/Transmittal%208-K%20Financial%2002-08-13.pdf http://www.prc.gov/docs/86/86447/2013 02-08 FORM 8-K.pdf

Here's a question for you: If the President were to die, which officials would make up the line of succession? Answer: 1 Vice President of the United States Joe Biden (D) 2 Speaker of the House John Boehner (R) 3 President pro tempore of the Senate

When you add POTUS to that assemblage, you have identified the four most powerful people in Washington. How is it, then, that none of them individually, or collectively, can exercise whatever leverage is needed to get postal reform done?

Remind me, please. We actually won the cold war, right? With this seemingly endless postal nonsense, it makes you wonder how we did it.

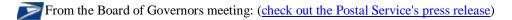
Martins Ferry Times Leader: Drastic times call for drastic measures. The Postal Service did just that Wednesday. It came in the form of ceasing mail deliveries on Saturdays beginning in August. Package delivery those days, however, will continue. The move is one that has been long rumored, with the intent of easing the agency's financial plight. Stopping Saturday delivery will do just that, saving some \$2 billion annually. That is a major bandage being applied to stop the agency's financial bleeding. But will it be a long-term fix? [EdNote: A major bandage is no way to treat an arterial wound.]

Wall Street Journal: The U.S. Postal Service on Friday reported a \$1.3 billion loss for its fiscal first quarter, highlighting the agency's financial strain even during the historically profitable holiday season and election period. The Postal Service earlier this week said it planned to eliminate Saturday delivery of mail, but not packages, in August in an attempt to trim losses. Postmaster General Patrick R. Donahoe said the move is expected to save \$2 billion a year. The loss for the October-through-December period compares with a \$3.3 billion shortfall a year

earlier. A continued decline in first-class mail and a congressional mandate to set aside more than \$5 billion a year for future retiree-health-care expenses were the driving factors for the most recent loss, the Postal Service said. "We have mitigated our losses," said Chief Financial Officer Joe Corbett. "However, our liquidity concerns can only be fully resolved if Congress takes action to address our unsustainable business model."

New York Times: Total mail volume fell to 43.5 billion pieces from 43.6 billion in earlier year, agency officials told members of the Postal Board of Governors, which oversees the agency. The board, which told the agency to speed up measures to cut costs two weeks ago, endorsed the post office's recent move toward suspending mail delivery on Saturday. The data presented by the post office did show a slight increase in advertising mail from the 2012 election. The agency's packaging and shipping service continues to grow, increasing 4 percent in the first quarter.

<u>The Hill</u>: The cash-strapped U.S. Postal Service, which announced further cost-cutting moves this week, said Friday that it lost \$1.3 billion in the final three months of 2012. The losses came during the holiday shopping season, which has historically been the post office's strongest time of the year.



- Postal board chairman Mickey Barnett stressed the need for Congress to move quickly to enact new postal legislation.
- Barnett noted that the board was running dangerously close to not having the necessary quorum to conduct essential business.
- PMG Donahoe said that the Postal Service is facing a historic decline in First-Class Mail volume.
- Donahoe said that the Postal Service does not have all the flexibility it needs to return to profitability.
- Donahoe noted that the Postal Service remains a vital part of the American economy.
- The PMG said the USPS must meet its universal service obligation. [EdNote: Whatever that means, since Congress has done nothing to comprehensively define what constitutes the USPS' universal service obligation.]
- Donahoe has announced the retirement of Paul Vogel and Tony Vegliante.
- The Board will be addressing the plan for succession of senior postal executives.
- Gov. Louis Giuliano reported that the Postal Service will soon present its ideas on the potential digital opportunities open to the Postal Service.
- CFO Joe Corbett reported that the FY2013 first quarter (historically the USPS' best quarter) ended with a net loss of \$1.3 billion and still have low levels of liquidity.
- Package services are growing at a pace that exceeds our largest competitors. Higher margin First-Class Mail continued to a record migration to electronic alternatives.
- Expenses have been held flat. Drops in revenue have been compensated for by expense cuts. The USPS is moving aggressively to bring on non-career workers to meet needs.
- On liquidity: A 1% change in income & expense can shift cash position rapidly and significantly. USPS lost 7.8 billion dollars in the depths of the recession.
- COO Megan Brennan: \$20 million have been removed from the system, while providing improved mail service. She updated the board on hurricane-related impacts. Enhanced mail performance visibility is increasingly important.
- Slides used for the CFO's financial review
- Slides used for the COO's update on service performance.

Huffington Post: If you want to know the byzantine story of how the Federal Government took a profitable institution called the U.S. Post Office and made it look like a cross-eyed loser, the story has been well told here. (Believe it or not, the trouble began when the government discovered the Post Office had surplus funds.) But the fact is that there are mighty big cuts coming down the pipeline for the P.O. -- above and beyond the Saturday closings announced today. The fact is, we should be investing more in the post office to modernize it because millions of people still count on its service. But Republicans who keep shouting for smaller government (even if it actually helps people) and defanged Democrats will let it happen unless someone kicks up a serious ruckus. But who is going

to fight the fight? Who cares about the silly little post office? Well, I'd like to suggest these mighty folks might want to start rolling up their sleeves and come out swinging (Read more)

MSN: The unfailingly crochety British magazine The Economist loves to shake its head at American lawmakers. And it's having a field day with the way Congress has handled the Postal Service. Congress' inability to take real action on the Postal Service shows that the U.S. is doomed, the magazine writes. Last year, the House of Representatives and the Senate each took up proposals reforming the service. Both bills died. The House bill never came to a vote, and the bill that passed in the Senate went nowhere in the House. That Senate bill was as toothless as it gets, by the way. It simply delayed any action on the Postal Service for two years. So the USPS went ahead and canned Saturday delivery on its own using what the Economist calls "dubious legal reasoning."

Financial Times: It is a scene playing out in supermarkets across the world: a consumer waits to pay and, instead of browsing the magazines and chewing gum displayed alongside, she pulls out her mobile phone for a quick digital distraction. US magazine executives call the habit the "mobile blinder" after the vision-narrowing headgear worn by racehorses, and say the trend is wreaking havoc on the industry. The trend is even more pronounced for the women's, fashion, sex and celebrity gossip titles prominent displayed in supermarket and drugstore checkout aisles. The news comes amid another blow to the print magazine business. The US Postal Service announced on Wednesday that it was ending first-class mail delivery service on Saturdays.

Suffolk News Herald: Whatever the U.S. Postal Service's motivation for suggesting that it will eliminate Saturday delivery, Congress should move quickly to accept the suggestion. It's time the agency moved into the 21st century.

Santa Cruz Sentinel: Ending Saturday postal delivery is like a getting a letter from a bill collector for a debt we incurred. We don't like it, but we have to pay the piper. Few know better than we in the news and information business that customers increasingly rely on digital products -- while at the same time, not everyone is clicking away on links. And not everyone relies on email for personal messages -- and there's even been a small resurgence in hand-written letters, which can convey feeling and depth in ways that digital substitutes will never match. But come August, those letters may have to be opened Monday through Friday. The post office's financial hemorrhaging can't wait for Congress to act. The post office is only trying to survive in a vastly changed environment. Before members of Congress compound the Postal Service's problems, they should consider what happens to businesses and agencies that fail to adapt. Better to maintain five-day-a-week service than lose mail delivery altogether.

Doliet Herald News: For as long as anyone reading this has been alive, Americans have checked their mailboxes on Saturday to see what the mail carrier brought them. That's going to end, if the U.S. Postal Service gets its way. And it should. The move is long overdue for an agency drowning in red ink and won't have much of an impact on most people's lives.

Enid News and Eagle: Various groups and interests have come out against the Postal Services plan. People in rural areas have come out against it, as have business owners and The National Newspaper Association. Newspapers are a major user of the Postal Service, relying on the agency to get newspapers into the hands of customers in a timely manner. Rural newspaper customers rely on the Postal Service. By cutting Saturday delivery, those newspaper customers face not receiving their paper until several days later.

Delaware County Daily Times: For many years, Americans have been aware that the U.S. Postal Service has been in financial distress, so, when news broke on Wednesday that Saturday mail delivery will be discontinued after Aug. 3, no one seemed surprised. Despite the reduction in service, customers also seemed understanding of the need for the cost-cutting measure by the quasi-governmental agency that suffered a \$15.9 billion loss in the last fiscal year. "I know they've been struggling. Postage keeps going up every year. I don't think it's a bad thing if it allows them to balance the budget," Tamitra Fontaine of Lansdowne told a Daily Times reporter. "I think that it's probably a reasonable thing to do. I don't think it's going to affect too much, said Albert Pasquarelli of Middletown.

<u>Bloomberg Businessweek</u>: Lawmakers who wouldn't help the U.S. Postal Service as its annual losses reached almost \$16 billion may be spurred to act after Postmaster General Patrick Donahoe said he would end Saturday mail delivery without Congress's approval if necessary.

<u>Carroll County Times</u>: While many in Congress are quick to criticize the Postal Service for failing to operate in the black, those same representatives often have blocked efforts to make the Postal Service more cost-effective, as when lawmakers opposed consolidation plans that would have eliminated post offices in their districts. Whether members of Congress again block the Postal Service in its latest money-saving plan remains to be seen, but by announcing the change now, the Postal Service has provided them plenty of opportunity to do so.

Arizona Daily Star: After months of imploring Congress - with little success - to approve cost-cutting measures, including closing thousands of postal stations, Postmaster General Patrick Donahoe announced Wednesday that the USPS will stop Saturday letter delivery. Package deliveries, an area where the Postal Service has increased business, would continue six days a week, as would service to post office boxes. The move is expected to save \$2 billion annually. But it also conflicts with a 30-year mandate from Congress: Appropriations bills routinely call for six-day delivery. While many in Congress understand the situation, they've found it difficult to consider changes to an institution that their constituents often see as a vital service. But if the agency is to remain vital, Congress must let it be a viable business.

Orange County Register: Wednesday's announcement that the United States Postal Service later this year will cease delivering mail on Saturdays is a testament to the institution's decay. In the private sector, the most successful businesses work to increase quality while decreasing costs. Though technology and costs imposed by government regulations are responsible for some of the USPS's sapped vitality, the real drain on the coffers is an overfed, unionized work force. Of the \$15.9 billion the agency lost last year, nearly 70 percent was attributable to labor costs, driven primarily by employee health care benefits. The time has come to give serious thought to privatizing America's mail delivery.

Washington Post: Donahoe may be counting on polls showing popular support for five-day delivery and indications from Congress and the White House that they are ready to abandon three decades of past practice. With everything on their legislative agenda, lawmakers might not take time to reimpose the six-day mandate before Donahoe can make it a done deal. But even if they don't, and even if his action is within the letter of the law, members of Congress don't like outsiders messing with their prerogatives. While five-day delivery certainly is a legislative possibility, preemptive agency moves to undermine years of legislative history are not appreciated on Capitol Hill. [EdNote: Here's a suggestion. If Congress doesn't like "outsiders messing with their prerogatives," then they should get off their collective duffs and pass a postal legislative reform bill that can bring the nation's postal system into the 21st century. Don't moan and groan. Do something!! My heavens, that's why American taxpayers are paying you.]

Des Moines Register: It's been more than a decade since the Government Accountability Office warned Congress that the U.S. Postal Service was in financial trouble. Year after year, postmasters general stood before lawmakers outlining problems and offering solutions. They asked to reduce delivery days. They asked to end a congressional mandate that forces the Postal Service to borrow money to prefund its future retiree benefits. Lawmakers promised to help, but they failed to deliver. Proposals to close post offices were met with opposition from politicians, including Gov. Terry Branstad, who owns buildings leased for post offices. Though some lawmakers immediately grumbled about Donahoe stepping on their toes, Congress has repeatedly failed to do anything to help. Rather than trying to stand in the way of this change, senators and representatives should be thanking him for stepping up.

Transport Intelligence: Press reports suggest that FedEx's voluntary redundancy programme has accounted for 10% of the company's senior management. Local press sources state that over 20 vice-presidents and managing directors will be leaving the company, although this has not been confirmed by FedEx to Transport Intelligence at the time of publication. [EdNote: Imagine that. The ability to shuck costs when necessary without the nonsense of congressional vituperation. What a concept!]

Washington Post: Oceans of ink have been spilled debating whether the Postal Service's crisis was inflicted by Congress's decision to order more than \$5 billion per year in health-benefit prepayments or by the inevitable consequence of technological obsolescence and high fixed costs, especially labor costs. We tend toward the latter view. If you think the Postal Service is a case study in the special-interest gridlock that plagues U.S. government generally, we agree with you. That's why reforming it, root and branch, is such an important test for Congress. So far, lawmakers have shown that they can't, or won't, do the job. We hope that, by precipitating the issue of Saturday delivery, USPS management will finally snap them out of it.

Wall Street Journal: Is there a better tutorial in government failure than a monopoly that loses about \$25 million every day, like the U.S. Postal Service now? This is an outfit that is proposing to cut what it does by roughly one-sixth and only solve about one-eighth of its financial problem. This isn't to disparage Postmaster General Patrick Donahoe and his plan to stop delivering mail on Saturdays, which is really a cheeky ultimatum to his political and union masters. For years Mr. Donahoe has been trying to run USPS like a business—or at least a business that isn't General Motors or Citigroup —but Congress won't let him. So now he's forcing a reckoning, and not a moment too soon.

<u>WDEL</u>: Senator Tom Carper will lead a Senate hearing looking for ways to help the postal service. The hearing was called in response to news that the Postal Service is discontinuing Saturday mail delivery. The hearing of the Homeland Security and Governmental Affairs Committee will focus on the postal service's financial situation and seeking possible solutions that will maintain the agency's viability. Committee chair Carper gavels the session in at 10 am Wednesday in Washington.

<u>BtoB</u>: Industry reactions have been mixed following the U.S. Postal Service's announcement that it will eliminate most Saturday mail delivery in an effort to save \$2 billion annually. The American Catalog Mailers Association supports action that keeps mailing costs low. American Business Media, an association of business information and media companies, said it supports efforts to reduce costs but also believes congressional action is needed.

Alaska Journal of Commerce: Sen. Mark Begich says the U.S. Postal Service's decision to stop delivering all Saturday mail except for packages is "bad news for Alaskans." In a release Wednesday, he said the decision will "undoubtedly slow overall delivery time." He said the agency should have let Congress address the issue. Sen. Lisa Murkowski says the time has come for the Postal Service to evaluate how it does things.

AARP: Myth: Most Americans use email and pay their bills online, so having a letter carrier show up on Saturdays doesn't really matter. Reality: Carriers do more than just deliver mail. Sometimes they're the only contact for disabled and elderly people who are homebound. Thanks to the Carrier Alert Program, a joint effort of the National Association of Letter Carriers and the Postal Service since 1982, mail deliverers contact appropriate officials if they see anything amiss with people on their route who have registered for the program. NALC president Frederic Rolando called the end of Saturday mail delivery "a disastrous idea.... It would be particularly harmful to small businesses, rural communities, the elderly, the disabled and others who depend on Saturday delivery for commerce and communication."

<u>Business Record</u>: The U.S. Postal Service said it wants to stop delivering mail on Saturdays. The business community's reaction? OK.

HometownSource: U.S. Sen. Al Franken (D-Minn.), who helped lead the charge last year to maintain reliable postal delivery for communities throughout Minnesota and around the country. Sen. Franken has long been fighting five-day postal delivery, and was among the Senate's most vocal advocates to prevent the closure of post offices and processing centers throughout Minnesota.

The Acton Institute: In a free market, businesses would be able to compete with one another to be the most efficient and effective mail delivery service, and if one business failed, others would be there—or others would be started—to fill in the gap in the market. Human beings, endowed by God with creativity in accordance with his image and made to cultivate the resources of the earth for his glory, ought to be free to creatively meet the needs of others, such as mail delivery, but that is not the situation today. The deeper postal problem in the United States is not

that the postal service cannot afford to continue delivering mail on Saturdays. Rather, the problem is the privilege that granted them exclusive right to do so. Nevertheless, as Mitchell notes, the USPS only has exclusive rights over "nonurgent letters," so perhaps the private sector can still pick up the slack for small business, the elderly, the disabled, and others who have urgent deliveries that must be received on Saturdays. Just don't expect them in your mailbox, because that's still illegal.

MSNBC: The NALC has hired their own business-reinvention expert to succeed where they think Donahoe has failed. Ron Bloom was a senior adviser on President Obama's task force to restructure GM and Chrysler, and has plenty of experience getting unions and management to sacrifice on key issues. Bloom and Donahoe don't exactly see eye-to-eye. "If you degrade the network and your customers leave and you get into the death spiral, you can't have it back," said Bloom, who argues against getting rid of Saturday delivery. "All the guys who think six days is important to their business strategy for using the Post Office—they're going to leave. They're going to make other arrangements." The eventual restructuring of the Postal Service will involve a number of transformative changes. The first of these—doing away with Saturday delivery—has been tossed brazenly into Congress's lap. Is it legal? We'll find out by Aug. 1. The rest will be fought by Bloom, Donahoe, the unions, and Congress in the months and years to come.

<u>The Monitor</u>: Local business owners and residents were unfazed by the announcement that the U.S. Postal Service will end Saturday deliveries in August.

<u>Chicago Tribune</u>: The U.S. Postal Service's plan to end Saturday first-class delivery in August angered unions that stand to lose jobs and faces an uncertain fate in Congress. But the decision, which the Postal Service says will save \$2 billion a year, barely fazed a number of people interviewed at Chicago-area post offices.

PRWeek: The US Postal Service is planning to detail its course of action on the logistics of switching from a sixto five-day mail-delivery schedule, according to Dave Partenheimer, a media relations manager at the USPS. It plans to do a heavy PR push for its newly updated, five-day website. The new delivery schedule will begin the week of August 5, but package delivery will continue on Saturday after that date. The USPS expects to generate cost savings of about \$2 billion annually, once the plan is fully implemented. At this point, the USPS is planning to handle most consumer and stakeholder outreach with in-house staff.

<u>York Daily Record</u>: The Postal Service is soliciting advice on how to create a high-technology system for routing mail and packages, in a move that could help close the gap between it and private-sector rivals FedEx and UPS. The financially struggling mail agency said it wants a "dynamic routing" strategy that can help it offer new products that could boost revenue, such as same-day delivery and pickups at retail locations. It would also help the agency deliver more efficiently as it moves to five-day delivery of first-class mail. The Postal Service announced on Wednesday that it will phase out Saturday delivery to cut costs.

<u>Watchdog.org</u>: This week's announcement that the United States Postal Service will end normal mail delivery on Saturdays has sparked fierce reaction from some federal lawmakers, who argue the move would harm rural Americans. In a completely unexpected coincidence, some of the fiercest critics of the plan also happen to be top recipients of postal union campaign cash.

Grand Island Independent: The death of Saturday mail delivery would seem to have the biggest impact in places such as Leisure World, where residents _ many in their 80s and 90s _ grew up with the mailbox as their connection to the rest of the world. But many people just don't care in the Southern California community where life slowly revolves around golf, card games and splashing in a heated pool. Now there's email for letter-writing and Facebook for keeping in touch with friends and relatives. And there's snail mail for ... Well, for what, really?

Seattle Times: Postmaster General Patrick Donahoe knows what to expect if Saturday mail delivery ends in August as he proposes. Virtually no one will notice. Harrumphing on Capitol Hill is about the only response to Donahoe's announcement on Wednesday. Congress may not like the plan, but in a familiar pattern, the institution could not get its act together to pass legislation preventing it. The Postal Service is hemorrhaging money with a

\$15.9 billion loss in 2012, three times the \$5.1 billion the year before. Halting Saturday delivery of everything but packages, a service with modest growth, might save \$2 billion.

Mailers' Technical Advisory From USPS Industry Liaison Maura Robinson: I am pleased to invite you to join other mailing industry stakeholders and postal leadership at the USPS Leadership Forum for Stakeholders on Tuesday, February

19, 2013, from 1:00 p.m. to 4:30 p.m. in the Ben Franklin Room at Postal Service headquarters. **The Leadership Forum** provides an opportunity for a wide range of interested mailing industry stakeholders to directly hear about current initiatives and issues from the Posatl Service's senior leadership. You are also invited to a **Stakeholder Reception** immediately following the Leadership Forum from 4:30 p.m. to 6:30 p.m. The reception allows stakeholders and postal leaders, managers, and key staff to interact in a more relaxed environment.

If you would like to attend the Leadership Forum, Stakeholder Reception, or both, please respond no later than 5:00 p.m. Eastern Time on Thursday, February 14, 2013, as follows: • Send a message to MTAC@usps.gov with "February Forum" in the subject line;

- Provide your name, and indentify your company, agency or MTAC member association;
- Indicate which event(s) you will attend on February 19:
 - Leadership Forum
 - Stakeholder Reception
 - Both the Forum and Reception

Your RSVP must be received by 5 p.m. EST on Thursday, February 14, to ensure that your name appears on the attendee list provided to the guard stations at both public entrances to Postal Service headquarters (Metro level and Lobby/Street level). Due to recent changes in building security policy, it is extremely important for your name to be on the security list for these events. The current MTAC membership list will be provided to the US Postal Inspection Service and building security for the meetings on February 19-20, but we must still ask all MTAC association executives and representatives – even those with an unexpired badge – to **RSVP** to these events. Should you have questions, please send an email to MTAC@usps.gov, or contact Wendy Hocking, MTAC Program Manager, at 202-268-8149 or at wendy.a.hocking@usps.gov.

February 7, 2013



"While I question the legality of the Postmaster General's decision to suspend Saturday mail delivery, this unfortunate scenario could have been wholly prevented if the House had passed the Senate's bipartisan postal reform bill in the last Congress. Cutting down mail delivery to five days per week will not save the Postal Service from insolvency. This short sighted measure will deal a crippling blow to the millions of Americans and small businesses who rely on the timely and reliable delivery to every community in our nation.

"Given the importance of the Post Office to communities in Nevada and across our nation, such a drastic policy change cannot be enacted without approval from Congress. Instead, the Postmaster General relied on flawed legal guidance to claim that he can circumvent Congress' authority on the matter. The Postmaster Generals' actions have damaged his reputation with Congressional leaders and further complicates Congressional efforts to pass comprehensive postal reform legislation in the future."

"No one disputes that the Postal Service is in urgent need of reform. Passing meaningful postal legislation is one of my top priorities for this Congress and I hope House Republicans will finally join the Senate in bringing a bill up for a vote."

Patriot Ledger: Customers at the Quincy and Braintree post offices reacted with a shrug after the announcement that the Postal Service planned to discontinue Saturday mail deliveries in August. Most postal customers randomly interviewed at the two post offices Wednesday did not have a strong reaction to the end of Saturday delivery to homes and businesses, which the Postal Service said would save \$2 billion a year. "It's one of those things, you know?" said Gerry Gorham of Randolph. "With the Internet, it's dwindling." While most of those approached at the post offices accepted the service reduction with little comment, others were quite supportive. Read more: http://www.patriotledger.com/news/x1433780171/Ending-Saturday-mail-understandable-many-on-South-Shore-say#ixzz2KEI8vunH

<u>eCommerceBytes</u>: As it faces a worsening financial situation and frustration with Congress mounts for failing to enact cost-cutting reform measures, the U.S. Postal Service announced on Wednesday that it will seek to phase out six-day delivery service later this year. However, of critical importance to online sellers, the agency said that it will continue to deliver packages on Saturdays, even as residential and business delivery of regular mail on that day would end in early August.

wired: Amazon's strategy for consumer domination includes erecting million-square-foot warehouses near the country's largest cities. The company has played coy on whether its expanding physical infrastructure signals plans to offer same-day delivery on a wide scale. If so, it will still need a transportation infrastructure to go along with it. And that fleet can't just consist of UPS trucks that Amazon tells to go faster. Same-day delivery requires a fundamentally different logistical framework from its standard system, logistics experts say. To get orders delivered even as quickly as overnight, Amazon pulls together the orders at its distribution centers before turning the packages over to UPS or FedEx. The carriers then feed those packages into their own logistics operations, which typically means traveling to UPS or FedEx distribution centers and depots before heading out on trucks to people's houses. All of that transit doesn't move fast enough for same-day. To make same-day work, the orders must travel straight from the distribution centers to customers. The postal service still has miles to go before becoming Amazon's courier of choice. The pilot program is limited to delivering a maximum of 200 packages per day to customers of 1-800-Flowers.com's sister brands, which sell popcorn, cookies, chocolate and gift baskets. Friess says the USPS is planning to add more retailers soon. If the test is successful, which he says the agency believes it will be, Metro Post will roll out to other large markets across the country. Friess declined to speculate on whether the USPS' 214,000 trucks — what the agency calls the world's largest civilian fleet — could end up in the service of Amazon.

Sun News: Canada Post has publicly released a chunk of its postal code database, even as it continues to pursue a lawsuit against a small start-up for also giving away postal codes for free.

Foreign Policy: How do America's mail carriers stack up internationally? In late 2011, Oxford Strategic Consulting, a British firm, released a report ranking the postal services of the G-20 countries based on three metrics: "provision of access to vital services," "operational resource efficiency," and "performance and public trust." Guess who came in first? That's right: the good old U.S. of A.

A special issue of the <u>PostCom Bulletin</u> is available online.......Postal Service to America: "May I have your attention."

George Mason School of Public Policy: James Campbell -- Study on Universal Postal Service and the Postal Monopoly

Wisconsin State Journal: Better late than later. The U.S. Postal Service is finally going to stop delivering letters on Saturdays — assuming Congress doesn't get in the way of much-needed savings. Congress should support the move and grant the Postal Service more flexibility to turn around its ugly bottom line. Congress has plenty of its own financial problems to worry about. Lawmakers shouldn't micro-manage the post office with lots of mandates and limits. Lots of other countries deliver mail five days a week, rather than six. President Barack Obama has supported the change, though his spokesman on Wednesday said wider reform is still needed. He's right about that.

Lafayette Journal Courier: Will there be some pain once the U.S. Postal Service cuts service on Saturdays? No doubt. But, honestly, what should Americans expect, long after they dropped shipping much of their everyday correspondence through the postal carrier? The Internet, apparently, is here to stay.

Comana World-Herald: Whether the Postal Service is able to eliminate Saturday delivery depends on Congress. In the past, Congress has prohibited a shift to five-day-only delivery. Wednesday's announcement was an end-run around that ban because it took advantage of a temporary loophole in congressional oversight. Reaction from Congress was mixed, with some legislators condemning it and others announcing their support.

Sentinel and Enterprise: When the U.S. Postal Service announced Wednesday it would stop delivering mail on Saturdays come August, we were tempted to send them this note by Express Mail: What took you so long? Then again, the letter probably would have come back undelivered. After all, it's the Congress, not the Postal Service, that has refused to approve the move as part of the agency's attempts to reduce the billions in red ink it creates each year. That's because even though it gets no taxpayer dollars to run its day-to-day operations, the Postal Service is subject to congressional control.

Lowell Sun: Plans to bag Postal Sat. delivery no biggie to locals polled.

North Country Now: The United States Postal Service (USPS) has announced they intend to eliminate Saturday delivery for first class mail beginning in August, and North Country Congressman Bill Owens doesn't like the idea.

To San Diego: The message did not come via special delivery. Instead, the news that the U.S. Postal Service is moving to end Saturday mail delivery of first-class letters in August landed with an unceremonious thud on our collective front porch. Given the fact that our friends at the Postal Service lost \$15.9 billion in the last fiscal year, the writing was already on the civic wall. Like milkmen and gas-station attendants, Saturday mail could be a genteel luxury we can no longer afford. Judging by the no-sweat responses I got from locals, however, it is more likely just one more perk that a pragmatic America doesn't even expect anymore.



500 Federal News Radio: The Postal Service's decision to move to five-day-a-week delivery for first class mail means employees will see fewer overtime hours and another round of buyouts. Postmaster General Patrick Donahoe said Wednesday the reduction in service would be the

equivalent of 22,500 employees who would no longer be needed to process and deliver mail. "Right now the Postal Service, we run in excess of 10 percent overtime, almost 12 percent and we've done this on purpose by not hiring and using attrition to take advantage of people leaving without having to resort to layoffs," said Donahoe during a press briefing in Washington. "We think by eliminating overtime and by looking at some of the flexibilities we have with the part-time workforce, and potentially working with the unions on some buyouts, we'll easily hit that." USPS already has cut its workforce by 306,000 people over the last 13 years, so Donahoe said they have been preparing for this eventual cut back in service.

Ask Grapevine: Royal Mail Group has re-engineered its operational recruitment process to improve the way it selects postmen and women, drivers, sorters and data inputting staff.

The Independent: Royal Mail has won back a contract to deliver statements to British Gas customers, which it lost to a rival in 2007.

Well, say what you want. For sure, the Postal Service has finally gotten everyone's attention.

Pensacola News Journal: The decision by the U.S. Postal Service to stop delivering mail on Saturdays is a wise one. The Postal Service on Wednesday announced it will stop delivering mail six days a week, which will save about \$2 billion a year. Packages will continue to be delivered six days a week. At one time the Postal Service was the glue that bound together our expanding country. However, during the last 20 years those postmarked gifts from the letter carrier became more rare. Email was preferred because of its convenience, speed and expense. Now it's common to pay bills online, rather than put them in the mail, hoping it will arrive before the due date. In addition to reduced mail, the Postal Service is being crushed by the future costs of health benefits for retirees. That figure –

\$11.1 billion, the Associated Press reported – accounts for most of the \$15 billion in losses last year. Without that commitment and other expenses, the Postal Service still lost \$2.4 billion. Like many companies, the Postal Service is responding with reductions to stay afloat.

<u>Omaha World-Herald</u>: The U.S. Postal Service can deliver the mail through snow, rain, heat and gloom of night — but the flood of red ink is too much. It cannot continue to lose billions of dollars a year. The Postal Service's plan to stop delivering mail on Saturdays is the very definition of a tough choice. But it is necessary to help reduce those losses.

Salon: Residents and business owners across the country expressed disappointment or concern, or just shrugged off the U.S. Postal Service's announcement Wednesday that it was doing away with Saturday mail deliveries except for packages.

The Chronicle-Telegram: Janet Bird wasn't surprised by Wednesday's announcement by the U.S. Postal Service that it plans to do away with delivery of letters, bills, cards, catalogs and other first-class mail Saturdays come August. "I expected it," Bird said of the move, which postal officials anticipate will save approximately \$2 billion a year. "We'll get used to it like we do anything else," Bird said of the loss of Saturday delivery. "It doesn't seem like anything of importance comes on Saturday anyway," said one man, who declined to be named. Another woman agreed: "If that will keep their costs down and keep them from raising rates so often, then I'm for it." Elyrian Tony White said the shift to five-day delivery won't make a big difference in his life. "I don't go to the mailbox every day anyway," he said, noting he often works 10-hour days, especially on Saturdays. "Sometimes I don't even get the (Saturday) mail until Sunday."

Boston Herald: U.S. Rep. Ed Markey (D-Mass.) is slamming a move by the Postal Service to slash Saturday coverage, saying the change would hurt postal workers, businesses and people who rely on weekend mail to receive government benefits. "I have co-sponsored legislation in Congress that calls on the Postal Service to take all appropriate measures to ensure the continuation of its six-day mail delivery service," Markey, who is running for the Democratic nomination for U.S. Senate, said in a statement last night.

MarketWatch: The U.S. Postal Service's announcement Wednesday that it will discontinue Saturday mail delivery sparked outrage and concern by businesses, consumers and postal worker unions worried that the change could hurt their livelihood and convenience. But the change matters little to the companies that deluge Americans with the most mail: They never delivered on Saturday anyway.

Foster's Daily Democrat: Reaction to the announcement that the U.S. Postal Service will discontinue Saturday mail service this summer varied greatly among area residents, with some saying it was a good move for postal workers and others lamenting it would hurt their own businesses. Some fear one-day-a-week cutbacks could open the door to more drastic setbacks in the future. Others predict the USPS delivery change will not affect them.

Muncie Free Press: Judging from Congressman Luke Messer, the U.S. Postal Service will have to reform itself from going billions of dollars in debt by providing five day delivery service. "Every American understands the Post Office cannot continue to do business the same old way and simply raise the price of stamps every six months," said Messer, a former state lawmaker and leader of the freshman class of Republican congressmen. Messer likened the USPS plan to go to five day delivery and end Saturday delivery to recent reforms former Gov. Mitch Daniels imposed for the Indiana Bureau of Motor Vehicles. Although difficult, those reforms reduced cost and improved service, he said.

Springfield News-Leader: Missouri lawmakers raised questions about the plan. "For the last two years I've pressed the United States Postal Service for real numbers on cost-saving options," said U.S. Rep. Billy Long, R-Springfield. "Dropping Saturday delivery was one of the first questions I asked about and was surprised to see how little they would save by ending Saturday delivery." U.S. Sen. Claire McCaskill called the plans "an unnecessary loss." McCaskill, D-Mo., was involved in crafting a bill in 2012 that would have provided a short-term cash infusion and delayed decisions on closing thousands of post office closings and ending Saturday mail delivery. "Unfortunately, instead of passing the bill, the Republicans in the U.S. House abandoned rural America and allowed

the legislation to die," McCaskill said. "And this is the result of their inaction — an unnecessary loss for business, rural families and the principle of compromise." U.S. Sen. Roy Blunt said he wasn't sure how the Postal Service could end Saturday mail service without congressional approval. "We'll be watching that carefully to see what their plan is," Blunt said.

1500 AM

<u>Federal News Radio</u>: For the Postal Service's Office of the Inspector General, nearly every technology upgrade or new piece of hardware or software is focused on moving the office in one direction: mobile. With more than two-thirds of the office's 1,130 employees located

outside the Washington, D.C., metro region, Gary Barlet, the chief information officer for the Office of Inspector General, said ensuring these workers in about 100 field offices have access to applications and data anywhere and at anytime is his top priority for fiscal 2013 and beyond. The OIG has more than 400 servers that are virtualized, and Barlet would like to move into the PC or laptop level by implementing a thin client set up. He said by virtualizing both the front end infrastructure and back end storage and computing power, OIG workers would have access to their data in a secure environment no matter where they were working. Barlet also is reorganizing one of the offices under him to focus more on mobile application development. He said the OIG will release its first mobile app for investigators in the coming month or so.

American Press: The decision of the U.S. Postal Service to end Saturday mail deliveries by Aug. 1 isn't being well-received in some quarters, but 7 in 10 Americans think it's a great idea. Supporters are relieved to know that is one less day they will have to cope with mail boxes filled mostly with continuous appeals from charities, business solicitations. Unfortunately, Congress has been the main hindrance to postal reform. As you would expect, its members look at the issue from a political perspective. Closing post offices and reducing deliveries doesn't go over well back in their communities. Congress also has a reputation for putting off permanent solutions to most serious financial problems.

<u>USA Today</u>: The plan to end Saturday delivery in August, announced Wednesday, would cut costs by \$2 billion a year. (Package delivery, which is thriving, would continue six days a week.) This is one of many steps postal officials have been begging Congress for years to allow them to take to stop the service from hemorrhaging money. Yet even though polls show almost 70% of Americans are OK with giving up Saturday mail delivery to help save the Postal Service, Congress has repeatedly objected, attaching provisions to spending bills to prohibit postal officials from acting on their own. That might be fine if the House and Senate had a broad plan for saving national mail delivery. But they don't. Year after year, postal officials sound the alarm and beg for a comprehensive bill to allow the agency to save money. But year after year, Congress dawdles, unwilling to do one of its most basic jobs. Last year, for example, Republican House leaders asserted they just couldn't find the time to bring a Postal Service reorganization bill to the floor, at the same time they were scheduling their 33rd vote to repeal ObamaCare. The nation's mail delivery system is in deep trouble.

Egreen Bay Press Gazette: For an organization that's been bleeding like a severed artery, the U.S. Postal Service has finally decided to end Saturday delivery, except for packages. It's about time. Eliminating Saturday deliveries seems to be a logical choice. Facing losses measured in the tens of billions of dollars and with cuts to those health benefits off the table, the USPS must look at operations, and eliminating Saturday home delivery makes sense. The move isn't taken lightly and is not without some dissent. Many businesses, as well as the elderly and rural customers, rely on first-class mail deliveries. Many media companies, including Press-Gazette Media, have newspapers delivered by mail on Saturdays.

Des Moines Register: Some Iowans view Saturday mail delivery as a necessary service, rooted in national history but still vital to individuals, communities and businesses. Others see six-day delivery as an irrelevant relic in a digital age. The comments came from worried newspaper industry leaders, rank-and-file stamp-lickers, state lawmakers, members of Congress and union leaders. They also came from Iowans who would rather see five-day delivery of most mail than face stiff price increases from the beleaguered, money-losing U.S. Postal Service.

Bloomberg Businessweek: That keystroke you just used to pay your power bill may have deleted Saturday mail service. Consumers, their banks and other services have fallen in love with online commerce. It's taken a toll on the U.S. Postal Service. The Postal Service will drop Saturday delivery of first-class mail beginning Aug. 5. It also will cut between 20,000 and 25,000 jobs nationwide as it makes the change. Older consumers are quickly embracing

online banking. 57 percent of people age 55 and older preferred online banking in 2011, compared to 20 percent in 2010.

<u>Dead Tree Edition</u>: Postmaster General Patrick Donahoe confused both the news media and fuming Congress members today with his explanation of why Saturday mail service can be ended without Congressional approval. But he appears to be on solid ground legally. In fact, the case for the U.S. Postal Service making this move was laid out more than three years ago.

Multichannel Merchant: Direct-to-customer merchants who mail catalogs told Multichannel Merchant they are fine with the United States Postal Service's 5-day delivery plan, which is scheduled to go into effect the week of Aug. 5. USPS said in a statement that once the plan is fully implemented, it will generate a cost savings of about \$2 billion annually. Catalog mailers and others in direct-to-customer said they think the savings will be passed on to them in the form of fewer future rate increases.

Rep. Stephen Lynch: Congressman Stephen F. Lynch, Ranking Member of the Subcommittee on Federal Workforce, U.S. Postal Service and the Census, released the following statement in response to the United State Postal Service's announcement today on five-day mail delivery:

"I am deeply concerned by the United State Postal Service's decision to transition to five day delivery without congressional consent. The elimination of Saturday mail delivery will have a negative impact on thousands of businesses across the nation that are operating on a six day schedule. This could be a damaging policy change in a fragile economy. Clearly, the Postal Service continues to face a variety of significant fiscal challenges, from decreasing mail volume and declining revenue, to the onerous mandate that the agency prefund its retiree health benefit obligations 75 years before it is necessary. However, I do not believe that the solution to improving the financial viability of the Postal Service will be found in a unilateral and legally-questionable move to five day delivery, but rather through the enactment of bipartisan, comprehensive, and well-reasoned postal reform legislation."

Editor & Publisher: "The U.S. Postal Service's announcement today that it intends to maintain Saturday delivery of packages but abandon delivery of newspapers is an indication USPS is moving further and further away from the universal service the American public expects," said National Newspaper Association President Merle Baranczyk. "This unfortunate decision sees packages as profitable but forgets the importance of money in the mail for small businesses and thousands of American communities who depend upon local newspaper delivery on Saturdays," Baranczyk added.

<u>The Beacon-News</u>: Local reaction to the announcement regarding changes in the U.S. Postal Service varied from those who said cuts were predictable to others who felt it would have no discernible impact on their lives.

Henderson Dispatch: Is the U.S. Postal Service too big to fail? We may soon find out after the USPS pushed the envelope Wednesday on its disagreement with Congress. In its tug-of-war with Congress, reducing six-day-a-week delivery requires lawmakers' approval. It has been denied multiple times. The agency, defined as independent, gets no tax dollars for day-to-day operations, but is under congressional control. Congress, currently operating under a temporary spending measure expiring March 27, could still step in. Surveys nationally indicate about seven of 10 approve of the Postal Service reducing delivery from six days to five. Advocates for six days note the effects on businesses, rural areas, the elderly and the disabled.

<u>MediaDailyNews</u>: The National Newspaper Association, which represents community papers, has fought proposed cuts to Saturday delivery before, reports Poynter, since some members time editions to arrive on that day. About 30% of NNA's member papers mail a Saturday paper, NAA postal chair Max Heath told Poynter. The loss of Saturday delivery also impacts weekly magazines.

Argus Leader: South Dakota's congressional members weighed in on the decision via statements Thursday afternoon. "The Postal Service has been facing an incredibly difficult situation for some time, including a record net

loss of \$15.9 billion last year," said Sen. John Thune. "While reforms are needed to ensure the viability of the USPS, I also understand that changes to six-day delivery will inevitably impact many families and businesses across South Dakota." Thune added he will continue to pay close attention to the issue and hopes for smart reforms to help benefit the USPS. Sen. Tim Johnson said he was disappointed in the decision. "I have long said the elimination of Saturday mail delivery should be a last resort option, and I'm disappointed with the Postal Service's decision to end Saturday delivery," he said. Rep. Kristi Noem also disagreed with the decision. "I strongly believe that the Postal Service needs to focus on making additional internal and structural reforms before it cuts services," she said. "I understand that serious changes need to take place to make the USPS financially viable, but I do not support eliminating Saturday delivery. Coming from such a rural state, our postal service is critical to the way families and businesses operate."

ThinkProgress.org: The U.S. Postal Service announced on Wednesday that it will discontinue first class Saturday mail delivery, marking another milestone in the decline of the once-ubiquitous government service. But it isn't a switch to online mail that's causing the postal demise — it's Congress. The USPS doesn't actually receive money from the government, but still needs Congressional approval to make any changes to its structure. An analysis in July showed that the USPS, without its pension requirement, would have a \$1.5 billion surplus. But Congress has repeatedly failed to address the issue. Last year, the Postal Service defaulted on a pension fund payment for the first — and then second — time in its history, and political infighting stopped Congress from bringing any remedy to the floor.

Esalon: The deeper source of the Postal Services woes is the U.S. Congress, not some imagined incompetence on the part of its managers and executives. In fact, the Postal Service is quite well managed and operates as efficiently and effectively as we have any right to expect, given the constraints we have imposed on it. And the main constraint is political: We have allowed the U.S. Congress to control the agency, and for decades – centuries, really – Congress has dictated that the Postal Service operate in ways that are politically useful for members of Congress even though they make no economic sense. In the process, our elected representatives have steered the agency into a ditch. Members of Congress are so fixated on getting reelected that rather than serving the will of broad popular majorities, they pay attention to, and heed the wishes of, well-organized interest groups that represent tiny minorities of the population.

Bloomberg Businessweek: This is where Wednesday's announcement becomes intriguing. Until now, the USPS has taken the position that it needs congressional approval to end Saturday delivery. "Congress must elect not to renew the legislation requiring the Postal Service to deliver six days a week," it says on its website. However, Bloomberg News's Angela Greiling Keane reports that Donahoe now thinks the USPS can get around this legal obstacle by taking advantage of a technicality. She writes: "Cutting Saturday delivery is allowed under Congress's continuing resolution funding government operations that expires March 27, Donahoe said. 'It is our opinion with the way the law is set, with the continuing resolution, we can make this change," he said. The strategy sounds legally tenuous, but it might be politically savvy. Donahoe is tired of begging.

Ecleveland Plain Dealer: Top executives of the beleaguered U.S. Postal Service want to halt Saturday delivery of letters, bills, magazines and circulars as early as August. Postmaster General Patrick Donahoe says the move will save about \$2 billion a year. In the last fiscal year, the Postal Service lost \$15.9 billion. Package delivery, a service that has grown busier as standard mail volume has plummeted, will continue on Saturdays, and individual post offices will have counter hours and stuff post-office boxes. In the past, Congress -- which appropriates no operating dollars for the Postal Service, but often dictates policies -- has blocked management proposals to curtail service. But given the Postal Service's troubled finances, lawmakers may have no choice but to go along this time. The obvious pressure point for congressional intervention will come in late March, when the continuing resolution that funds all government operations comes up for renewal.

Connecticut Post: U.S. Rep. Rosa DeLauro, D-3rd, said the move was "bad news both for the Postal Service's employees and people across the country," adding that it could lead to layoffs and the closings of postal facilities. "The Senate did their part last year and passed a bill, but just like so many other issues, Republicans in the House of Representatives were too busy posturing to take it up," DeLauro said in a statement. Read more: http://www.ctpost.com/local/article/Return-to-sender-at-least-on-Saturdays-4257502.php#ixzz2KAl50CX2

Washington Times: Mr. Donahoe said U.S. Postal Service lawyers advised him that they thought the move was legal under a continuing resolution authorized by Congress set to expire in about six weeks. Still, he said he anticipates challenges to the move, which would not affect Saturday package delivery. Sen. Jon Tester, Montana Democrat, called the move irresponsible, while Rep. Karen Bass, California Democrat, the daughter of a letter carrier, said it was disappointing but a reminder of the need for lawmakers to ease a costly mandate that the Postal Service pre-fund pension benefits.

Los Angeles Times: Hallmark says the end of Saturday mail delivery would have broad negative effects, while Amazon expects no problems for itself. "Hallmark continues to believe a reduction in service will not induce customer loyalty and will negatively impact small towns and small businesses that depend on timely, affordable, reliable mail delivery," the company said. "This move should only be considered once all other cost-saving options are fully explored and acted upon."

Baltimore Sun: Rep. Elijah Cummings of Baltimore, the top Democrat on the House committee that oversees the Postal Service, said that "comprehensive postal reform legislation" must be "an urgent priority" for Congress. But he added that "the issue of service delivery frequency should be addressed in that legislation rather than through arbitrary action by the Postal Service."

Albany Tribune: Ralph Nader -- The U.S. Postal Service (USPS) today continued its tradition under the leadership of Postmaster General Patrick Donahoe of shooting itself in the foot. The only question that remains is: When will the madness end? By ending Saturday letter delivery in August 2013, as the USPS has proposed, millions of customers who take advantage of its services will be harmed, mail service will be slowed, and the USPS's current death spiral will deepen. It is unclear where Postmaster General Donahoe thinks he has the authority to make this change without Congressional approval. In making the move to end Saturday letter delivery, Postmaster General Donahoe has not only shown his complete disregard for the good of the USPS's consumers, but he has also ignored the will of Congress. For decades, Congress has mandated six-day delivery. Congress must act to protect rural communities, small businesses, the elderly, and the disabled, among others by reasserting its authority over the U.S. Postal Service and stopping it from making such an irresponsible decision.

Green Bay Press Gazette: Steven Kotok, publisher of The Week, pitches his magazine to customers as a take-your-time, weekend read for current events followers. But the U.S. Postal Service's announcement Wednesday that it'll stop delivering mail and magazines on Saturday starting this summer could force Kotok to revise his marketing and operations. About 30% of small community newspaper publishers either publish Saturday editions or mail ad packets on Saturdays, according to Max Heath, chairman of the Postal Committee at the National Newspaper Association. "No one expected this bomb to drop," he says. "This is not a done deal. There'll injunctions filed. There will be challenges."

<u>Oregon Live</u>: Currently, many Oregon voters receive their ballot on Saturday, 17 days before an election. That could be pushed two days later, to Monday, under the Postal Service's plans. Ending Saturday mail delivery can also affect ballot returns. Elections officials might reconsider their recommendation that voters mail back their ballots no later than the Friday before an election, said Oregon Elections Director Steve Trout.

The Hill: Liberal Democrats, postal unions and some private-sector groups bashed the Postal Service's decision as a shortsighted power grab that flouts the will of lawmakers. Rep. Gerry Connolly (D-Va.), a member of the House Oversight and Government Reform Committee, told The Hill that he hoped the USPS decision would spark a legal challenge. The National Association of Letter Carriers and National Rural Letter Carriers Association went so far as to call for Donahoe's ouster. "This is just one more in a series of mild to egregious missteps in his relations with Congress," Connolly said about the postmaster general. "If he's trying to show power or strength, I think in fact it reveals the opposite — that he's floundering." Groups like the American Forest and Paper Association also said the decision would be a loser in the long run. The greeting card company Hallmark, for instance, has lobbied against reducing delivery standards. And while key congressional Republicans who are active on postal issues were largely supportive of the switch to five-day delivery, even GOP appropriators have questioned the service's rationale for acting on its own. Some rural Republicans have also said they are skeptical of the move.

Home Media Magazine: The U.S. Postal Service's Feb. 6 announcement that it will suspend Saturday residential mail delivery beginning Aug. 5 to save \$2 billion annually in costs barely elicited a yawn from Netflix — the letter carrier's largest commercial customer. The Postal Service has delivered residential mail on Saturdays for 150 years. Netflix spokesperson Joris Evers, in an email, said the by-mail-disc-pioneer-turned-subscription-video-on-demand leader had no direct comment. Netflix, which has more than 8 million subscribers who rent and/or also stream content, can typically deliver a disc within one business day. "You should know that we ... are for a healthy Postal Service," Evers wrote.

Ruralinfo.net: But the current frontline of the austerity agenda is the assault on the US Postal Service, a vital public service that is older than the country. And it is advancing rapidly. On Wednesday, the Postal Service announced that Saturday first-class mail delivery is scheduled for elimination at the beginning of August—the latest and deepest in a series of cuts that threatens to so undermine the service that it will be ripe for bartering off to the private delivery corporations that have long coveted its high-end components.

Annandale Patch: Northern Virginia's U.S. Rep. James P. Moran (D-8th) and U.S. Rep Gerald Connolly (D-11th) expressed concern Wednesday afternoon about the U.S. Postal Service's announcement that it plans to suspend delivery of first-class mail service on Saturdays beginning in August. The USPS released a fact sheet Wednesday.

CBSNews: FedEx, the world's second biggest package delivery company, said Wednesday that it will lose more than 10 percent of its U.S.-based executives under a voluntary buyout plan.

February 6, 2013

DMM Advisory: Postal Service Announces New Delivery Schedule The United States Postal Service announced plans today to transition to a new delivery schedule during the week of August 5, 2013, that includes package delivery Monday through Saturday and mail delivery Monday through Friday. The Postal Service expects to generate cost savings of approximately \$2 billion annually, once the plan is fully implemented. "The Postal Service is advancing an important new approach to delivery that reflects the strong growth of our package business and responds to the financial realities resulting from America's changing mailing habits," said Patrick R. Donahoe, Postmaster General and CEO. "We developed this approach by working with our customers to understand their delivery needs and by identifying creative ways to generate significant cost savings." Find the complete text of the Postal Service's news release at http://about.usps.com/news/national-releases/2013/pr13_019.htm.

National Association of Postal Supervisors: The National Association of Postal Supervisors has consistently warned in the past that moving to Five-Day delivery should be the last resort for the Postal Service after all other responsible options have been exhausted. That is because the success of our nation's postal system has been built upon timely, reliable and affordable service to all points around the country. Actions that compromise the timeliness and reliability of our postal system will only hasten further problems, not solve current ones. Moreover, moving to five-day delivery is inconsistent with current law.

Press Statement: The Postal Regulatory Commission learned of the Postal Service's plans for a new Saturday delivery schedule to be implemented this August. Under the Postal Service's revised delivery schedule, mail delivery to street addresses will occur Monday through Friday. Packages will continue to be delivered six days a week, Monday through Saturday. Mail addressed to post office boxes will also continue to be delivered on Saturday. Post offices currently open on Saturdays will remain open on Saturdays. In March 2011, the Commission issued an Advisory Opinion on a previous Postal Service proposal to largely eliminate Saturday deliveries. The Commission provided a significant analysis of that proposal to modify mail delivery schedule from six to five-days. The Postal Service's announcement today provides only a broad outline of its new Saturday

Rep. Dennis Ross: U.S. Rep. Dennis Ross (FL-15) issued the below statement in support of the U.S. Postal Service's decision to modify its delivery to five days, thereby eliminating Saturday delivery for first-class mail, but allowing the continuation of package delivery. Rep. Ross was the Chairman of the Subcommittee on the Federal Workforce, U.S. Postal Service, and Labor Policy last Congress.

Sen. Mark Pryor: Last year, the Senate passed—and I supported—a bipartisan postal reform bill to put the U.S. Postal Service back on the road to financial stability. Unfortunately, the House refused to bring our bill to the floor, or offer a bill of their own. Due to the House's inaction, the Postal Service is now facing crippling deficits. While I agree the Postal Service needs to cut costs, their plan to end Saturday delivery cannot move forward without Congressional approval. They need to consider alternative measures, such as capping the salaries of their top executives or eliminating bonuses, before making changes that would hurt rural communities who depend on the Postal Service for commerce, news, and necessary goods. That being said, I hope the House will work with the Senate to pass a common-sense postal reform bill that will keep the USPS viable.

Letter Carriers @NALC_National Sen Tim Johnson: Disappointed with <u>#USPS</u> decision to end <u>#Saturday</u> mail delivery. <u>@SenJohnsonSD</u> http://www.johnson.senate.gov/public/index.cfm?p=PressReleases&ContentRecord_id=5c8c0e33-a8ca-4424-819d-918c08581d72 ... <u>#SouthDakota</u>

Postalnews Blog: Rep. Elijah E. Cummings, Ranking Member of the House Committee on Oversight and Government Reform [said]..."The Postal Service's declining mail volume poses a significant challenge, and the enactment of comprehensive postal reform legislation must be an urgent priority for the current Congress. However, the issue of service delivery frequency should be addressed in that legislation rather than through arbitrary action by the Postal Service."

San Francisco Chronicle: Residents in small Bay Area towns where the post office is a community centerpiece reacted with a mixture of anger and resignation Wednesday to news that the U.S. Postal Service intends to end Saturday delivery of first-class mail.

<u>Washington Post</u>: White House press secretary Jay Carney said Wednesday that the president does not have an opinion on the announcement that the U.S. Postal Service will stop delivering mail on Saturdays. But he added that the Republican-controlled House had not passed legislation designed to help the USPS.

<u>Washington Post</u>: In a quick response to the postmaster general's plan to stop six-day mail delivery, the national board of the National Rural Letter Carriers Association (NRLCA) voted unanimously to call for his dismissal.

The Herald: In response to the United States Postal Service's (USPS) announcement that it will soon move to cancel six-day delivery of first-class mail, Citizens Against Government Waste (CAGW) expressed its support for USPS's drive to control its operations in order to cut costs and reduce the risk of a taxpayer bailout. CAGW has long called for Congress to allow the USPS to operate more like a private-sector business. Accordingly, Congress should resist pressure to block the USPS from reacting as any business would to the problem of falling demand for its services: by cutting costs.

New York Times: Some members of Congress called the Postal Service claim that it had the authority to go to a five-day delivery schedule dubious, setting up a potential showdown between the agency and the Congressional committees that oversee it. "The passage of the continuing resolution did not suspend that language, as they claim, but in fact extended it," said Representative José E. Serrano, Democrat of New York and ranking member on the Appropriations Subcommittee on Financial Services and General Government, which also has jurisdiction over the Postal Service. "Rather than use very dubious legal arguments to end Saturday delivery, the U.S.P.S. should work hand-in-hand with Congress to come up with a successful restructuring and reform package that allows them to become more efficient while maintaining vital services like Saturday delivery." House Speaker John A. Boehner, Republican of Ohio, expressed his hope that progress would be made on postal overhaul legislation, but said that he understood the dilemma facing the Postal Service, since "Congress, in its wisdom, has tied their hands every which way in order for them to actually run the post office in a revenue-neutral way."

27East.com: After receiving word that the U.S. Postal Service plans to cut Saturday mail delivery as of August 5 to cut costs, **U.S. Representative Tim Bishop** on Wednesday called for the Postal Service to reconsider its decision.

<u>CBSNews</u>: A pair of key congressmen today said they support the U.S. Postal Service's plan to halt Saturday delivery service of most mailers, letters and catalogs, but several other members are quite unhappy with the plan. A number of congressmen today decried the decision as bad for their constituents. They also said it's the purview of Congress -- not the Postal Service -- to make such decisions, and some placed the blame on the House of Representatives for failing to act last year.

<u>Time</u>: The United States Postal Service announced Wednesday morning that it was moving from 6- to 5-day delivery to help reduce its ever-growing budget deficit. But for years, the post office has argued that it needed Congressional authorization to do so. So is the Post Office's proposal even legal?

The NonProfit Times: The United States Postal Service (USPS) announced today that it will end mail delivery on Saturdays, starting the week of Aug. 5. Packages will continue to be delivered six days a week. The plan has the support of the Washington, D.C.-based Alliance of Nonprofit Mailers (ANM). "As far as nonprofits are concerned, given USPS's dire situation, and decline of mail volume, this is an adjustment that we can adapt to and support," said Tony Conway, the organization's executive director. "The savings they will get are substantial given their situation," he said, noting that this method of savings is much preferred over another increase in postage rates.

The Patriot News: We deride it as snail-mail, that modern-day absurdity of sticking a stamp on an envelope and waiting three-plus days to reach out and touch someone. Or to simply pay a bill. To many, the U.S. Postal Service has become a quaint anachronism in this lightning-quick age of the Internet. Our lives are online now. We pay bills there, communicate there, conduct business there. And the good old post office – long the very stitches that held the fabric of our Republic together – has been slowly unwinding its role as the country's connective tissue. The red ink, piling up as a result To staunch the flow, the Postal Service is about to cut Saturday mail delivery, likely starting in August. For now at least, post offices will retain Saturday hours, and post office boxes will still get six-day delivery. But some see the slashing of Saturday delivery as merely the first step toward snail-mail oblivion.

The Dallas Morning News: Texas Sen. John Cornyn said he's disappointed that the US Postal Service is cutting Saturday delivery but agrees that it's probably a necessary cost-cutting step. "The Postal Service needs to get on a sound financial footing," he said on his weekly call with Texas reporters. "It simply refuses to adapt to a new environment where many people simply communicate by email...Fedex and UPS deliver a product on time in a way the Postal Service struggles with."

Chicago Business Journal: We knew this day was coming: The U.S. Postal Service will end Saturday delivery of mail in August. Packages, however, will continue to be delivered on Saturday, and post offices that currently are open on Saturday will remain open that day. Mail addressed to post office boxes also will continue to be delivered on Saturday. The move to five-day delivery of mail to street addresses will save the Postal Service \$2 billion a year.

Newsmax: The decision by the U.S. Postal Service to end Saturday delivery of first-class mail is a responsible plan that will save taxpayers money, the chairman of the House subcommittee with oversight of the Postal Service tells Newsmax.

Bangor Daily News: Members of Maine's congressional delegation blasted the U.S. Postal Service's proposed elimination of Saturday mail delivery, saying the move would disproportionately affect the rural communities that make up the majority of their home state.

ABC15.com: The National Association of Letter Carriers, vows to fight the plan, arguing the Postal Service doesn't have the authority to eliminate a day of service without Congressional approval. But the Postal Service says it has authority to go ahead with the plan, and members of Congress haven't yet said they will pursue any action to stop the agency. There could be 22,500 jobs eliminated nationwide under the plan that the Postal Service says would save it \$2 billion annually. The Postmaster General Patrick Donahoe said he will not lay off any workers and accomplish the cuts by cutting overtime and part-time hours and offering buy outs to current employees.

Associated Press: The U.S. Postal Service's announcement that it plans to end Saturday mail deliveries apparently had little effect on shares of private-sector competitors FedEx and UPS. Citigroup called the end of Saturday service

a "baby step" toward fixing the Postal Service's financial problems, and one that would have little impact on competitors. If there are fewer rural post offices, FedEx and UPS will be able to consolidate their SmartPost and SurePost shipments to fewer locations and save money. Meanwhile, FedEx is waiting to hear from the Postal Service about its expiring contract for air-shipping express and priority mail, which generates about \$1.3 billion in annual revenues for FedEx. Wetherbee expects FedEx will hang on to most or all of the business but is likely to see a rate cut because of the post office's financial situation.

Sen. Bernie Sanders (I-VT): Sen. Bernie Sanders said today he will oppose a U.S. Postal Service plan to end Saturday mail delivery. "The postmaster general cannot save the Postal Service by ending one of its major competitive advantages. Cutting six-day delivery is not a viable plan for the future. It will lead to a death spiral that will harm rural America while doing very little to improve the financial condition of the Postal Service," Sanders said. "Providing fewer services and less quality will cause more customers to seek other options. Rural Americans, businesses, senior citizens and veterans will be hurt by ending Saturday mail," Sanders added.

You can watch a recording of the PMG's press announcement here: http://www.nbcnews.com/business/postal-service-bids-farewell-mail-delivery-saturdays-1B8262819

The Association of Magazine Media: The Association of Magazine Media represents consumer magazines, among them weekly titles, that may be most impacted by the United States Postal Service announcement this morning to cease Saturday delivery, with the exception of packages, effective August 5, 2013. Like Congress, MPA was taken by surprise by today's announcement. While we have actively participated in conversations around postal reform, and in particular, five-day delivery, we did not expect the USPS would act unilaterally, without Congressional approval, and we await Washington's reaction and more details. Advocating for our members, MPA has long been a driving force behind postal legislation and policy. In 2011, we testified that five-day delivery would require substantial operational changes from some weekly magazines that often want delivery on Friday and Saturday so readers can enjoy their content over the weekend. Despite the difficulties the schedule change would entail, MPA told Congress we were willing to make changes if the shift to five-day delivery and resultant cost savings for the Postal Service were part of a comprehensive package of long-term reforms that would ensure a viable postal system for the foreseeable future. The move to five-day delivery would require substantial preparation on the part of affected magazines. We note that the Postal Service appears to have taken this consideration to heart, proposing the changes go into effect six months from now.

DMM Advisory: Automation Discounts for Periodicals Letters and Flats. We announced standards limiting automation discounts for Periodicals letters and flats to Intelligent Mail® barcodes only in the June 6, 2012, final rule correction Federal Register notice. That final rule correction amended the May 3, 2012, final rule Federal Register notice titled POSTNET Barcode Discontinuation. The standards provided in the corrected final rule became effective January 28, 2013, and mailers were required to prepare their Periodicals mailings in accordance with these standards. The revised standards limiting automation discounts for Periodicals letters and flats were inadvertently omitted from the January 27, 2013, Domestic Mail Manual (DMM®) revisions. On March 4, 2013, we will revise DMM sections 707.12, 13 and 14 to incorporate them. The text of the revised DMM sections will appear in the February 7 Postal Bulletin.

The latest issue of the PostCom Bulletin is available online. In this issue:

- The United States Postal Service announced plans today to transition to a new delivery schedule during the
 week of Aug. 5, 2013 that includes package delivery Monday through Saturday, and mail delivery Monday
 through Friday. The Postal Service expects to generate cost savings of approximately \$2 billion annually,
 once the plan is fully implemented.
- Coburn and Issa sent the Senate and House leadership a letter expressing their support for the USPS' changes to Saturday mail service.
- Sen. Thomas Carper said that while he regrets the Postal Service having to make this change in mail service, he understands.

- National Association of Letter Carriers President Frederic Rolando reacted to the Postal Service's Saturday mail service announcement by calling for his resignation.
- The APWU President says "The APWU condemns the Postal Service's decision to eliminate Saturday mail delivery, which will only deepen the agency's congressionally-manufactured financial crisis."
- The Association for Postal Commerce (PostCom) submitted comments to the Postal Regulatory Commission concerning its docket on the Modification of Mail Classification Regarding First-Class Mail Single-Piece Residual Price Table (Docket No. MC2013-30). PostCom believes that the Commission should simply reject the classification change the Postal Service has proposed in this Docket but should leave the already approved Residual Rate Category in place exactly as it is. The PRC should encourage the Postal Service to do what it should have done before this category was created: work with the mailers to come up with a set of policies to implement what is conceptually a sound approach to the handling of residual pieces.
- The Postal Regulatory Commission's annual review of the U.S. Postal Service's compliance with rates and classification regulatory rules has given rise to comments from various interested parties not all of whom share the same perspective.
- Senate Committee to hold postal hearing. EMA updates jobs study. USPS Guide on single-piece fcm. Video on folded self-mailers. Time to register for the National Postal Forum. Former GAO Head says USPS In trouble. USPS -Northrup dispute grinds on. Hallmark pulls out the stops for six-day. So, what's all this about federal immunity? All ahead fast . . . or is it slow? Consumers trust the mail. An update on notices regarding changes to the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- Postal previews.

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us by email</u> your name, company, company title, postal and email address. Get a chance to see what you've been missing.



The PostCom Bulletin is distributed via NetGram

(2)

Sen. Susan Collins: U.S. Senator Susan Collins release the following statement today after the U.S. Postal Service announced it intends to end Saturday mail delivery this summer.

"As former Ranking Member of the Senate Homeland Security and Governmental Affairs Committee, Senator Collins was coauthor of a bipartisan bill, that passed the Senate last year, that would prohibit the Postal Service from eliminating Saturday deliver for at least two years. Instead, the legislation would have required the USPS to embark on a two-year period of aggressive cost-cutting first, and then only allow this reduction in service if the Government Accountability Office and postal regulators both certify that elimination of Saturday delivery is necessary to achieve solvency.

"There is no doubt that the U.S. Postal Service is in a financial crisis. It has been hit with falling mail volume, the recession, and the loss of customers to digital technology such as e-mail and online bill paying that has replaced traditional mail. Cutting service should, however, be the last resort, not the Postal Service's first choice. The Postal Service's decision to eliminate Saturday delivery is inconsistent with current law and threatens to further jeopardize its customer base."



"I am disappointed by the Postal Service's announcement today regarding its plans to transition to a five-day mail delivery schedule in August. For nearly three decades, it has been the clear intent of Congress that the Postal Service provide most communities with six days of mail delivery. That said, I have long argued that Congress should reduce the number of service mandates it places on the Postal Service so that the Postmaster General and his team can more easily adjust operations to reflect the changing demand for the products and services they offer. I have even co-authored bipartisan legislation, which the Senate approved last year, that would have allowed the Postal Service to eliminate Saturday delivery within two years of enactment provided that the new delivery schedule was truly necessary to help the Postal Service survive. That legislation also would have helped the Postal Service cut costs elsewhere and generate new revenue in an effort to preserve Saturday delivery for as long as possible. While I welcome the Postal Service's intention to preserve Saturday package delivery under the proposal announced today, I would much prefer that any effort to move to a five-day mail delivery schedule occur in an orderly manner similar to the process the Senate approved last year.

"Despite my disappointment, it's hard to condemn the Postmaster General for moving aggressively to do what he believes he can and must do to keep the lights on at the Postal Service, which may be only months away from insolvency. The financial challenges that have been building at the Postal Service for years – attributable in large part to a reduced demand for hard-copy mail – are eminently solvable, yet Congress has failed at every turn to come to consensus around a set of effective reforms.

"At the end of last year, I participated in bipartisan, bicameral negotiations that I hoped would lead to significant financial and operational reforms at the Postal Service. Unfortunately, we ran out of time and were unable to produce a legislative compromise that we could present to our colleagues before the 112th Congress adjourned. Now that the 113th Congress is officially underway, I have made it one of my top priorities during my first weeks as chairman of the Senate Committee on Homeland Security and Governmental Affairs to pick up last year's postal reform negotiations where they left off so that my colleagues and I can reach agreement on a meaningful bill as soon as possible. Piecemeal efforts like the one the Postal Service announced today will not be enough to solve the Postal Service's financial challenges for the long haul."

Press Release: House Oversight and Government Reform Committee Chairman Darrell Issa, R-Calif., and Senate Homeland Security and Governmental Affairs Ranking Member Tom Coburn M.D., R-Okla., sent a letter to leaders of both chambers of Congress supporting today's announcement by the United States Postal Service that in August it would shift from its current delivery schedule to a six-day package, five-day mail delivery schedule. Issa and Coburn are the top Republicans on the respective House and Senate Committees with jurisdiction over USPS.

Five-Day Mail Delivery Announcement: Postmaster General Patrick Donahoe has promised to provide business mailers a six-months period before Saturday delivery is ended. Package delivery will still occur on Saturday, Post office box deliveries will be made. Retail postal services will continue to be provided. But letters and flats delivery will be curtailed on Saturday. No change is expected until August 2013. This move is precipitated by the Postal Service's endangered financial position. He said it is the Postal Service's opinion that this move is legal. The current congressional language prohibiting the Saturday change expires March 27. If Congress wants to stop the Postal Service, they'll have to do so before then. He said the USPS can work with Congress to address any concerns. The move will eliminate 45 million work hours and 22,500 jobs. It also will allow the USPS to eliminate overtime. All changes will be done without layoffs. See the USPS press release. Slides Used During Press Release

Press Announcement: Postmaster General Pat Donahoe will hold a press conference at 10 am today to announce his intention to end Saturday delivery on August 5, 2013, even though current law mandates six-day delivery. Carriers will be subjected to stand-up talks today on the unilateral decision. The PMG is dubiously claiming a "loophole" in the law will allow him to do this. NALC released this statement to the press denouncing Donahoe's arrogant decision and calling for him to step down. The union is exploring all legal and political options to block Donahoe's gambit. If he were allowed to get away with this brazen attempt to override the law and the will of Congress, he would be free to go to four-day or even three-day delivery in the future.

APWU President Cliff Guffey has issued the following statement: "The APWU condemns the Postal Service's decision to eliminate Saturday mail delivery, which will only deepen the agency's congressionally-manufactured financial crisis." The USPS has already begun

slashing mail service by closing 13,000 post offices or drastically reducing hours of operation, shutting hundreds of mail processing facilities, and downgrading standards for mail delivery to America's homes and businesses. The effects are being felt in cities and towns across the country. "USPS executives cannot save the Postal Service by tearing it apart. These across-the-board cutbacks will weaken the nation's mail system and put it on a path to privatization. "Congress has the power to restore the USPS to financial stability. To do so, it must repeal provisions of the 2006 law that created the Postal Service's financial crisis. "The agency's crisis is a direct result of an unsustainable congressional mandate that was imposed on the Postal Service by the Postal Accountability and Enhancement Act (PAEA). The federal law forces the Postal Service to pre-fund healthcare benefits for future retirees and to do so in a 10-year period. No other entity — public or private — bears this burden. Since the PAEA took effect in 2007, the Postal Service has been required to pre-pay approximately \$5.5 billion per year. Yet the same law prohibits the Postal Service from raising postage rates to cover the cost. "The USPS has a vital mission — to bind the nation together by providing efficient, inexpensive service to every part of the country. The Postal Service should be seeking ways to expand its offerings to the American people so that it can remain relevant in the digital age."

From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products,	
8597–8598 [2013–02570]	[TEXT] [PDF]
8598–8599 [2013–02571]	[TEXT] [PDF]
Postal Service	
RULES	
Authorization to Manufacture and Distribute Postage Evidencing Systems:	
Discontinued Indicia,	
8407 [2013–02514]	[TEXT] [PDF]
NOTICES	
Product Changes:	
Priority Mail Negotiated Service Agreement,	
8599 [2013–02521]	[TEXT] [PDF]
8599 [2013–02522]	[TEXT] [PDF]

Associated Press: The financially struggling *U.S. Postal Service says it plans to stop delivering mail on Saturdays, but continue delivering packages six days a week.* In an announcement scheduled for later Wednesday, the service is expected to say the cut, beginning in August, would mean a cost saving of about \$2 billion annually. The move accentuates one of the agency's strong points — package delivery has increased by 14 percent since 2010. The delivery of letters and other mail has declined with the increasing use of email and other Internet use.

Haaretz: Companies subscribing to Israel Post's "business to business distribution" courier service are being charged as much as 50% more beginning this month – but only those located outside the country's main population center. Rates were previously uniform throughout the country. Businesses in 50 localities such as Jerusalem, Tel Aviv, Kfar Sava and Kafr Qasem will continue paying NIS 26 before value added tax on 50 to 100 items per month. But those in places like Rehovot, Hadera, Haifa, Tiberias and Nazareth will be charged NIS 28 for the same service, while businesses in remote locations like Eilat, Safed, and Kiryat Shmona will need to pay NIS 30.

EEP News (Courier-Express-Postal), published by the MRU Consultancy, has reported that:

- The looming industrial action at Austrian Post (CEP-News 05/13) has been averted for now. In a two-day bargaining marathon on Tuesday andWednesday last week, Austrian Post's CEO Pölzl and union leader Köstinger reached an agreement 'in all material respects', the post announced on Thursday.
- Itella Information is going to withdraw from Romania just three and a half years after its market entry. The IT services and information logistics unit of the Finnish post said the decision was made for 'profitability reasons'.
- The Czech post has been prohibited to monitor its deliverers using GPS data. Last week, the office for the protection of personal data (OPPD) disallowed Ceska Posta to use data obtained from handheld GPS devices. According to the authority, there was no legal basis for a systematic surveillance of posties.
- Apparently Poczta Polska managed to remain in the black in 2012, too.
- Austrian Post only converted a part of the so-called residential letterboxes before the deadline at the end of 2012.
- Meelis Atonen, Eesti Post's chairman of the supervisory board, spoke out in favour of a fast privatisation of the company.
- Ken Allen, member of the board of Deutsche Post and responsible for the Express division, continues to streamline his unit's portfolio.
- The decline in addressed letter mail volume further accelerated at La Poste in 2012.
- China Post has equipped its deliverers with respirator masks. After the highest smog alert level 5 has been declared in the Greater Beijing region 29 days ago, the company equipped all its posties and couriers with respirator masks. [EdNote: That's not Darth Vader, that's the mailman.]

 Bad news for PostNL yet again. The coverage ratio of its pension fund remained at 102.5% in
- Bad news for PostNL yet again. The coverage ratio of its pension fund remained at 102.5% in the fourth quarter and was thus lower than the statutory coverage ratio of 104.1%. Therefore, the post could face subsequent payments of up to 133m euros, which were determined by an arbitrary court.
- The Federal Network Agency's advisory body called upon the regulatory authority to comprehensively examine labour conditions on the postal market in Germany.
- The Czech post plans to outsource around 200 of its post offices to franchisees.
- Eesti Post achieved the target to deploy 100 parcel terminals in the three Baltic States, which was announced in the middle of 2011
- Magyar Posta got a new CEO.
- Arcep, the French regulatory authority gets a new general director. At the beginning of March, Benoit Loutrel will succeed Phillippe Distler, who will join the regulator's executive board. The latter is the authority's official governing body while the general director is responsible for the day-to-day business. Loutrel already served as deputy general director of Arcep from 2007 to 2010.
- Pos Malaysia has to search for a new CEO. Datuk Khalid Abdol Rahman, who just assumed his position one year ago, returned to car manufacturer DRB-HICOM.



The MRU, founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design, organisation, and EDP. <u>To learn more about the stories reported above, contact CEP News.</u> (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)

Directions Magazine: Are you ready to replace your home or business address with a postal code like 8CNJ Q8ZG? Executive Editor Adena Schutzberg offers three organizations that will try to convince you that's exactly what you should do, and they describe their plans to make this type of address code a reality. Natural Area Code (NAC) is to unify all representations of areas and locations in the world: addresses, postcodes, area codes, geographic coordinates, map grids for all people with different languages, cultures and professions and all applications: GPS navigation, postal/courier/delivery/emergency/taxi services, surveying, mapping, property identifying, etc.

Telecompaper: Italian postal management company Agenzia Espressi has launched TVPost, a service that delivers documents through the TV and smartphones. The customer has a virtual mailbox associated with his/her postal address and accessible through a password or through a health card and by registering on the appropriate website. It is possible to access the mailbox via the TV, the web and mobile devices through applications (IOS or Android) for free download on smartphones. The documents are transmitted over the airwaves via Advanced Encryption Standard and the postal address given will only be used for personal correspondence and advertising.

<u>CBC News</u>: Some Canada Post union members say the Crown corporation's decision to start sending mail to Halifax for sorting will cause delays in mail delivery.

Glen Falls Post-Star: Politicians like U.S. Rep. Bill Owens, a Democrat who now represents the Glens Falls area, have to balance the wider public interest with the narrow interests of their constituents. It's in the public interest, for example, to eliminate federal subsidies to the U.S. Postal Service and allow it to run as the standalone business it is supposed to be. But it is in the interests of his constituents in rural towns, such as Hartford, for Mr. Owens to advocate for the preservation of small post offices, even if they operate at losses. Do away with post offices in places like Hartford and you take away another shred of their dwindling identity as unique communities and force their residents to do even more driving. But we have to set limits on the subsidizing of rural identity with post offices and schools and other services paid for by a wider population. It's unfair to expect the nation's taxpayers to cover the cost of a post office for a handful of customers in tiny communities in Washington County or the Adirondacks, when the services could be consolidated at substantial savings.

Roll Call: "The Budget War Is Back" [EdNote: I didn't know it ever left.]

PostalVision 200

<u>PostalVision 2020</u>, the groundbreaking forum that has challenged industry, government and the private sector to examine a modern

national mail infrastructure, will return in 2013 for a third annual conference, slated for **April 23-24 at the L'Enfant Plaza Hotel** in downtown **Washington, D.C.** Senator Tom Carper (D-DE), incoming Chairman of the Senate Homeland Security and Governmental Affairs Committee and a co- author of the 21st Century Postal Service Act, Hon. Robert G. Taub, Vice Chairman of the Postal Regulatory Commission, and Hon. David M. Walker, Founder and CEO of the Comeback America Initiative and former Comptroller General of the U.S., will join the conference for the first time this year. Vint Cerf, Vice President and Chief Internet Evangelist for Google, will return as a speaker this year after providing the keynote at the first conference in 2011, as will Jeff Jarvis, author of "What Would Google Do?"

This year, PostalVision 2020/3.0 will take a visionary look at "Positioning America for the New Millennium." Beginning with a world view of the 21st Century as seen by Vint Cerf, successive panel discussions led by Jeff Jarvis and Matt Swain of InfoTrends will consider positioning America to meet the needs of future generations for communications and commerce. David Walker will introduce a discussion on the role of government with Robert Taub and a panel comprising policy experts from government and academia. Alternative postal models will be

considered by returning speakers, attorney and author Jim Campbell and international postal policy expert Elmar Toime in conversation with USPS Inspector General David Williams and PostCom President Gene Del Polito. Senator Carper will share his legislative perspective while participating in the exchange of diverse opinions as expressed by conference attendees in open forum.

February 5, 2013

Media Advisory: U.S. Senate Committee on Homeland Security and Governmental Affairs Chairman Tom Carper (D-Del.) will hold a hearing titled "Solutions to the Crisis Facing the U.S. Postal Service" on Wednesday, February 13, 2013 at 10:00 a.m. in room 342 of the Dirksen Senate Office Building in Washington, D.C.



At the Postal Regulatory Commission:

- MC2013-38 Order No. 1649 Notice and Order Concerning Request to Remove Confirm Service from the Market Dominant Product List http://www.prc.gov/docs/86/86418/Order%20No.%201649.docx http://www.prc.gov/docs/86/86418/Order No. 1649.pdf
- MC2013-30 Comments of the Association for Postal Commerce http://www.prc.gov/docs/86/86414/PCOM Cmts2 MC2013-30.pdf

Press Release: "The Postal Service ranks as the fourth most trusted company — a two-point increase from 2011 and its highest company ranking since the survey's inception by the premier privacy trust study in America. The same survey also named The Postal Service the 'Most Trusted Government Agency for the 7th year in a row"* The Ponemon Institute in its Most Trusted Companies for Privacy Study ranked the Postal Service as the fourth most trusted company of 704 entries from 25 industry sectors. The results show that customers regard the Postal Service as one of the best in keeping their information safe and secure. Consumers Trust the Mail"

INDUSTRYALERT

Earned Value Promotion - Mail Service Provider (MSP) Enrollment

114 Mail Service Providers who send Webinar Friday, February 8, 2013 12 Noon EST Beginning February 11th, Mail Service Providers who send Courtesy Reply Mail (CRM) and Business Reply Mail (BRM) pieces for their customers can register for the Earned Value Promotion. This webinar will provide further information about the Earned Value Promotion and how registration can be made through the Business Customer Gateway incentive tool. Click here to register for the webinar or go to: https://usps.webex.com/usps/onstage/g.php?d=998189703&t=a Call-in toll-free number (US/Canada): 1-877-668-4493 Access code: 998 189 703 Event number: 998 189 703 Pre-registration is required and lines are limited so please sign up for this informational session today.



- Springfield Network Distribution Center Postal Vehicle Service Operations 13WG009NO000 -- The U.S. Postal Service Office of Inspector General (OIG) plans to audit Postal Vehicle Service (PVS) operations at Network Distribution Centers (NDCs). This self-initiated audit addresses operational risk. This will be a nationwide audit.
- Review of the New Castle and Greensburg PA Consolidations 13XG023NO000 -- "The Postal Service recently started processing destinating mail at the Pittsburgh Processing and Distribution Center (P&DC) for the New Castle and Greensburg facilities. With the newly acquired equipment at the Pittsburgh P&DC, the OIG would like to know your opinion as to how the consolidations are going thus far. The OIG is planning to conduct an audit at the Pittsburgh Plant starting in February to assess the consolidation. In your opinion, has the consolidation done its part as far as saving the Postal Service money? Is mail being processed timely?"
- Management of Vacant Properties 13YG017SM000 -- The U.S. Postal Service is one of the largest real estate owners in the United States. In addition to owning and leasing land, the Postal Service has approximately 33,000 facilities nationwide with over 280 million square feet of space. The Postal Service's

Facilities Real Estate and Assets Group manages the Postal Service's real estate portfolio by developing and implementing strategies that align with organizational goals and objectives related to the disposition, acquisition and leasing of property. Opportunities may exist for the Postal Service to optimize excess facility and land space (either owned or leased) that is vacant. The OIG has identified instances where the Postal Service continues to rent vacant leased properties because the leases do not contain early termination clauses. Such clauses would allow the Postal Service to terminate leases early without penalty. The OIG has also identified unused vacant land parcels the Postal Service has "land banked." Land banking is the acquisition of land in anticipation of long-term future needs or expansion of services rather than for a specific project. The purpose of land banking is to gain control of land in high cost or land scarce areas when it becomes available. We want to hear from you! Do you know of any vacant Postal Service properties (facilities or land) in your area? Is it better for the Postal Service to sell these properties now to generate revenue or hold onto the properties because the value may increase? What else do you think the Postal Service can do with its vacant properties?

Politico: Warning of grave economic consequences if a package of automatic spending cuts takes effect in coming weeks as part of the sequester, President Barack Obama Tuesday urged Congress to pass a short-term package of spending cuts and to close tax loopholes. "If they can't get a bigger package done by the time the sequester is scheduled to go into effect, then I believe they should at least pass a smaller package," Obama said at the White House. "There is no reason that the jobs of thousands of Americans who work in national security or education or clean energy-not to mention the growth of the entire economy-should be put in jeopardy." However, the idea of raising new revenues is already running into resistance among Republicans on Capitol Hill. [EdNote: So much for putting postal reform on a fast track laid on a track, yes. But there is another more important engineer running the train.]

HMRC's VAT exemption for postal access services provided by Royal Mail, TNT applied for an oral hearing and have now been granted permission to challenge the VAT exemption by way of judicial review (R (on the application of TNT Post UK Limited) v Commissioners for HM Revenue & Customs (defendant) and Royal Mail Group Limited (Interested Party)1). The dispute concerned whether access services provided by Royal Mail benefit from the exemption from VAT for universal postal services. TNT were arguing that the exemption currently afforded to Royal Mail directly, and indirectly, distorts competition for postal services and confers an unfair advantage on Royal Mail.

New York Times: *Did you know....?* Africa is the world's fastest-growing region for smartphones, with an average sales growth of 43 percent a year since 2000, according to the GSM Association, an industry trade group based in London.

Irish Times: Ireland remains one of only a few European Union member states that still use cheques for regular payments, according to a new survey from the Central Bank, despite the high charges. According to the analysis, Ireland ranks behind France as the second most intensive cheque user in the EU, with 20 of the 27 member states having effectively eliminated cheques. In these countries, usage is down to two or less cheques per person per year, while Ireland's average is 19 cheques. A study from the European Central Bank estimates that a cheque costs around €3.55 when all costs are included. "For a small business this cost includes the 50c stamp duty on each cheque, bank charges and postal charges, not to mention the time it takes for staff to process cheque payments. Further, there is strong evidence that cheque usage is a contributor to Ireland's 'late payment' culture. Unless we move from the 'cheque in the post' culture, the problem of late payments will remain," Ronnie O'Toole, programme manager of the National Payments Programme said. For businesses, cheques remain a key payment tool, with Irish businesses issuing 44 per cent of all cheques in Ireland. In 2011, this equated to about 37 million cheques.

The Chronicle Herald: Here's a conundrum. Did my handwriting deteriorate due to lack of practice, or did I stop writing longhand because my handwriting had deteriorated? I'm pretty sure I wrote myself a note on that precise issue many years ago. Unfortunately, I've been unable to decipher the perplexing scribbles I left using pen and paper; though from the length of the message, I apparently had a lot to say on the matter. Either that or I was really low on groceries. I can't remember the last time I sent anyone a handwritten letter. I know I used to write letters and mail them. I just don't anymore, and don't remember stopping. I don't recall placing the folded-up sheets of ink-

scratched paper into an envelope, licking the awful-tasting glue, pressing it closed, attaching a tongue-moistened stamp and thinking, well, there it is, the last letter I'll ever write. The Internet, of course, and specifically email, certainly played a role. And compared to those early years of wide-eyed excitement about a new technology that allowed people to send instant text messages back and forth, regardless of distance and seemingly at no cost, today communicating instantly — in its many, many forms — is taken for granted. You can text, tweet, post, share or email. And if typing isn't enough, you can Skype (which has become a verb, apparently). Regardless of when a thought occurs to you — and, all too often it seems, even when you've got really nothing to say — as long as you've got a tech gadget handy, you can send it to anywhere, to virtually anyone. Who needs longhand writing anymore?

The Oakland Press: The U.S. Postal Service is facing serious financial troubles that could force it to reduce the speed of delivery or shutter rural post offices. Congress failed to address the problem last year and has not gotten closer to a solution so far this year. In 2006, Congress passed a law that requires the Postal Service make annual payments of nearly \$5.5 billion for future retirees. The Postal Service say the pre-funding is straining its budget, accounting for 70 percent of its losses last year. Even some supporters of pre-funding say the requirement has made it harder to restructure. The rise of email and electronic bill-paying has cut the use of first-class mail, while catalogs and magazines have been replaced by websites. The volume of mail handled by the Postal Service dropped 22 percent between 2007 and 2011. On the bright side, more people are getting packages shipped because of e-commerce.

Reuters: David M. Walker, former Comptroller General of the U.S. --You may not know this, but the U.S. Postal Service (USPS) raised the price of a first-class stamp this past weekend—by one penny, to 46 cents. It also introduced a "Global Forever" stamp, which can be used to send letters anywhere in the world for \$1.10. My advice: Stock up on "forever" stamps. For while a one-cent increase in regular stamps might not seem like much, if the USPS doesn't get its act together, we're likely to see far higher prices in the future. Though there are now limits on postage increases, the related financial math doesn't come close to working over time. The Postal Service is in trouble. The agency is bleeding red ink; has hit its authorized borrowing limit with the Treasury; and is unable to make its scheduled retirement funding contributions. Something has to give - and must this year. Sound familiar? In so many respects, the USPS is a microcosm of the federal government — two entities in desperate need of fundamental transformations that will make them more focused on the future and financially sustainable.

<u>Citizens Voice</u>: A federal jury has cleared the U.S. Postal Service of employment discrimination against a Shickshinny man who claimed he had twice been passed over for custodial positions at a postal facility in Wilkes-Barre because of service-related disabilities.

<u>NBCNewYork</u>: Nearly two dozen people face federal charges in connection with a vast fraud and identity theft ring that caused more than \$200 million in losses to the financial and credit card industry, NBC 4 New York has learned. Teams of FBI and U.S. Secret Service agents as well as U.S. Postal Inspectors began making arrests early Tuesday in New Jersey and several other states in connection with the takedown, law enforcement officials said.

Post & Parcel: PostNL has won a new e-commerce contract that should add up to around 1.5m additional deliveries each year in the Netherlands and Belgium. PostNL will now be working with the retailer as it develops new e-commerce websites for its Gamma and Karwei brands. The new websites are expected to be launched this summer.

Gizmodo: If you're looking to transfer hundreds of gigabytes of data, it's still—weirdly—faster to ship hard drives via FedEx than it is to transfer the files over the internet. Cisco estimates that total internet traffic currently averages 167 terabits per second. FedEx has a fleet of 654 aircraft with a lift capacity of 26.5 million pounds daily. A solid-state laptop drive weighs about 78 grams and can hold up to a terabyte. That means FedEx is capable of transferring 150 exabytes of data per day, or 14 petabits per second—almost a hundred times the current throughput of the internet.

<u>Washington Post</u>: It seems only right to Pamela McKinney. If you owe the federal government back taxes, you have to pay interest on top of the base amount. So, Uncle Sam also should have to pay interest when the government

owes individuals money. That gets to the nut of her case against the U.S. Postal Service. If she wins, a lot of people could be surprised with a nice check.

Paper Age: The American Forest & Paper Association (AF&PA) has announced the election of Graphic Packaging President and Chief Executive Officer (CEO) David Scheible as the new AF&PA board chairman, along with the 2013 slate of board officers.

Postalnews Blog: Last month the USPS Bord of Governors directed the Postmaster General to accelerate the restructuring of USPS operations in response to the service's precarious financial situation. The PMG has scheduled a press conference at USPS Headquarters for Wednesday at 10 AM EST to make a major announcement regarding those restructuring plans.

SBWire: Postal Job Placement, a leading provider of entry level job placement support to people looking for post office jobs with the United States Postal Services, will launch a new website and services. The mission of the said provider is to lessen the rate of unemployed individuals in the US. To ensure that visitors will not find it hard to use the new website, the team behind Postal Job Placement hired the most qualified, knowledgeable and experienced web designers. It is expected that the website will have a simple layout, functional application and will feature easily navigability. To keep visitors and job hunters updated of the latest events and USPS jobs, Postal Job Placement will also send notifications via email to individuals who will sign up in their website. It will also post a list of different entry level jobs with corresponding qualifications to let job hunters know instantly if they will fit to the position they are applying for. Apart from qualifications, information about salary and job descriptions are also provided.

Federal Times: It looks like a long road lies ahead in the high-stakes legal battle between Northrop Grumman Corp. and the U.S. Postal Service over a botched automation project worth more than \$900 million. In a joint filing last week, lawyers for the two sides laid out their timetable for conducting the legal fact-finding process known as discovery. Their deadline for wrapping it up (and yes, you are reading this right): Jan. 15, 2016. Along the way, each side may conduct up to 50 depositions a piece, and that doesn't include expert testimony.

<u>Washington Examiner</u>: "Saturday mail delivery is corporate welfare for Hallmark" Any fight in Washington will have special interests lined up on one side or another. I've reported before how the envelope lobby — yes, the envelope lobby — is lobbying against postal cutbacks. Well, so is Hallmark. Hallmark this month hired Washington lobby firm EnGage, and is supporting a House bill introduced this month, HR-30, that would preserve six-day mail delivery service. In 2012, the Kansas City, Mo.-based card and gift retailer spent \$240,000 to lobby on postal reform and tax issues.

ABA Journal: A U.S. Postal Service lawyer got some blowback recently for writing a letter saying the agency is not obligated to pay state and local fines for traffic violations, according to USA Today.

"In providing mail service across the country, the Postal Service attempts to work within local and state laws and regulations, when feasible," wrote Jennifer Breslin, a USPS senior litigation counsel. "However, as you are probably aware, the Postal Service enjoys federal immunity from state and local regulation."

"I was not aware that the Post Office doesn't have to stop at red lights or obey the speed limit," East Cleveland Mayor Gary Norton told the Cleveland Plain Dealer. "But since they are, I wish I'd get my mail faster."

Breslin got <u>a less humorous response</u> from a lawyer for American Traffic Solutions, a private vendor based Tempe, Ariz., that operates the photo-enforcement system. "By attempting to hide behind an immunity claim, you are aiding and abetting your drivers in their blatant disregard for the traffic laws in East Cleveland, which have endangered other drivers, pedestrians and school children," wrote George Hittner, ATF's general counsel. Hittner suggested transferring the cost of the tickets to the drivers themselves. [EdNote: An EXCELLENT suggestion.]

Federal Times: David Van Allen, regional spokesman for the U.S. Postal Service, said in an interview that postal employees "are subject to obeying local traffic laws and ordinances just like any other citizen. However, the Postal Service cannot legally be billed for any traffic violation fines incurred by its employees." He added that there is no legal system in place to transfer liability from the Postal Service to an employee, an issue because these tickets were the result of traffic cameras, not police stops with tickets handed to individuals.



In comments to the Postal Regulatory Commisson regarding the Postal Service's "Modification of Mail Classification Regarding First-Class Single-Piece Residual Table," the Association for Postal Commerce (PostCom) said:

"In its most recent pricing filing, the Postal Service attempted to clarify on the record its process for determining what qualifies for Commercial Residual Single-Piece First-Class Mail (FCM). The Postal Service continues to move in a direction that the mailing industry cannot support. Therefore, PostCom believes that the Commission should simply reject the classification change the Postal Service has proposed in this Docket but should leave the already approved Residual Rate Category in place exactly as it is. Although we do not think it advisable or appropriate for the Commission to become involved in development of implementation rules, it can and should encourage the Postal Service to do what it should have done before this category was created: work with the mailers to come up with a set of policies to implement what is conceptually a sound approach to the handling of residual pieces."

DMM Advisory: January DMM Update. Postal Explorer® (pe.usps.com) is your source for up-to-date mailing standards. The Domestic Mail Manual (DMM®) is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. On January 27 we updated our mailing standards to include the following changes:

- New Standards for Domestic Mailing Services. We revised various sections to reflect price adjustments and mailing requirements changes associated with the October 2012 filing with the Postal Regulatory Commission (PRC). We published this information in the December 27, 2012, Postal Bulletin.
- Every Door Direct Mail. We revised various sections to add new standards for saturation mailings of Standard Mail® mailpieces known as Every Door Direct Mail-Retail® (EDDM-R or EDDM-Retail). We published this information in the December 27, 2012, Postal Bulletin.
- Domestic Shipping Services Pricing and Mailing Standards Changes. We revised various sections to reflect changes to prices and mailing standards for the following Shipping Services: Express Mail®, Priority Mail®, First-Class Package ServiceTM, Parcel Select®, Parcel Return Service, Mailer Services, and Recipient Services. We published this information in the December 13, 2012, Postal Bulletin.
- Customs Declaration Requirements for Mailpieces Sent To or From APO, FPO, and DPO Locations. We revised 703.2.3.7 to stipulate that mailers may use either PS Form 2976, Customs Declaration CN 22 or PS Form 2976-A, Customs Declaration and Dispatch Note CP 72 for items sent to or from any Army Post Office (APO), Fleet Post Office (FPO), or Diplomatic Post Office (DPO) location. We published this information in the December 27, 2012, Postal Bulletin.
- New Eligibility Standards for Parcel Select Nonpresort Mailpieces. We revised 453.3.3 and 604.5.1.2 to provide new minimum volume eligibility criteria for Parcel Select nonpresort mailpieces, either entered within a single mailing or as part of a combined mailing of mixed class parcels. We published this information in the December 27, 2012, Postal Bulletin.
- Retirement of FASTforward Technology. We revised 602.5.0 to terminate the use of FASTforward® technology as a Move Update option for commercial First-Class Mail®, First-Class Package Service, Standard Mail®, and Parcel Select Lightweight® mailings. We published this information in the December 27, 2012, Postal Bulletin.
- **Products Mailable at Nonprofit Standard Mail Prices.** We revised 703.1.6.11 to reflect that, for 2013, the value of a low-cost item is \$10.20 or less. We published this information in the November 29, 2012, Postal Bulletin.

- New Marking Standards for Parcels Containing Hazardous Materials. We revised 601.10 to adopt new marking standards for parcels containing mailable hazardous materials which will be required for parcel intended for air transportation. We published this information in the December 13, 2012, Postal Bulletin.
- **POSTNET Barcode Discontinuation.** We revised various sections to discontinue price eligibility based on the use of POSTNETTM barcodes on all types of mail. We published this information in the December 27, 2012, Postal Bulletin.

February 4, 2013

PostCom Webinar: Please join the Association for Postal Commerce, PostCom on Tuesday, February 12, 2013 at 1:00 Eastern for a FREE webinar presented by Shahrom Kiani, General Manager, for AddressVision, Inc. Mr. Kiani will detail the USPS' requirements for the March - April "Direct Mail Mobile Coupon" and "Click-to-Call" promotion. Learn how you can quickly position yourself to participate! Title: USPS Spring Promotion: Direct Mail Mobile Coupon / Click-to-Call - Easy Steps to Participate Date: Tuesday, February 12, 2013 Time: 1:00 PM - 2:00 PM EST After registering you will receive a confirmation email containing information about joining the Webinar. Reserve your Webinar seat now at: https://www1.gotomeeting.com/register/297268001

The USPS has put on its RIBBS website a tech guide for Commercial Single Piece First Class Mail. https://ribbs.usps.gov/intelligentmail_latestnews/documents/tech_guides/FCMResidualJan2013.pdf

From the Manager Business Alliances U. S. Postal Service Headquarters: There have been many questions on the folded self mailer requirements. Here is a link to a you tube video that makes it very easy to understand the changes. She does an outstanding job of making the design rules easy to understand and the reasons the industry worked with us to establish them. Please provide to all relevant members of your company that have mail design consulting in their responsibilities. http://www.youtube.com/watch?v=fK4CkcZTN6Q

CBSNews: With a March 1 deadline looming before the December deal expires, Congress faces yet another round of painstaking negotiations over a way to avert the \$1.2 trillion worth of reductions, which are spread equally over defense and domestic non-defense spending over the course of 10 years. And while the sequester package was never intended to go into effect - in fact, it was designed to be so potentially devastating as to force Republicans and Democrats to on an alternate solution to reduce the deficit - the political atmosphere in Washington has been so bitterly partisan as to make any compromise near impossible. [EdNote: Maybe Congress should try addressing what SHOULD be an easier issue: postal reform.]

Post & Parcel: Top executives from around the global postal and courier industry are set to convene in Brazil later this month, as the World Mail and Express series of conferences makes a return to Rio de Janeiro. One of the world's biggest and most growth-hungry postal services, Brazil Post, will be hosting the event on 26-28 February, in which delegates will also get the chance to engage with some of the most forward-thinking companies in the mail and express business within the Americas region. The conference programme is led by Wagner Pinheiro de Oliveira, the president of Brazil Post, which has recently been granted new powers by the government to grow its business outside Brazil's borders, and enter into new business partnerships with private sector companies. Other key speakers who will address the Americas event in 2013 include Correos Chile director-general Pablo Montané, Correios de Portugal chairman and CEO Francisco de Lacerda and Correo Uruguayo president José Luis Juarez. Delegates will also hear from Marcela Maron, President of the UPU Consultative Committee, and Antonio Juliani, Vice President of ABRAED.

Courier Times: What is now the U.S. Postal Service (USPS) was organized by Ben Franklin and is older than the United States. It has been self funded since its inception and has never required an appropriation from the Congress. The cost of stamps has of course risen over time, as has everything else But now we are told the USPS is massively broke, teetering on bankruptcy, and can only be "saved" if it is privatized. Competition from private mail and package services and the advent of the Internet for routine correspondence and bill paying are the often cited reasons for the failure; that and "inefficiency." It's a scam.



Pushing the Envelope: The Right Strategy on Intellectual Property Rights:

"The number of Postal Service patents has grown significantly in the past few decades, as have the patents for rival carriers FedEx and UPS. When compared to other industries, such as information technology and wireless communications, the Postal Service has not significantly leveraged its intellectual property or fully recognized the potential financial and strategic value of these assets. If the Postal Service considered the commercial significance of each of its patents and licensed its intellectual property, it might find a valuable source of significant revenue. A 2011 Office of Inspector General report found that the Postal Service has 329 global families of patents, which means each "family" of a patent may have a multiple number of U.S. and international patent documents. The study looked closely at three specific patents to assess the commercial significance of each patent, or the revenue that the Postal Service may be able to generate through licensing of the patent. Those three patents alone hold a commercial value of more than \$18 million per year. The report concluded that the Postal Service did not manage its portfolio of patents to maximize commercial significance. However, some stakeholders have argued that the Postal Service is different from private industry, even if it is encouraged to act like a business. It is a public institution held in the public trust. In that sense, it belongs to the American people. Shouldn't a public institution that belongs to the American people open up the technology and patents it has developed for the benefit of the national infrastructure? There is a risk that in licensing patents or holding proprietary technology, the Postal Service may stymie innovation in the public and private sectors. Some people have looked to the Defense Advanced Research Projects Agency (DARPA) as a model. Its idea to link computers into a national system eventually led to the development of the Internet."

Transport Intelligence: According to the International Air Transport Association (IATA), air cargo demand fell 1.5% for the full year 2012. This marked the second consecutive year of decline following a 0.6% contraction in 2011.

Press Release: DHL Express has introduced the GoGreen carbon neutral feature to its DHL Express Envelope shipping option, allowing customers to further reduce the environmental impact of their shipping activities. DHL Express Envelope ensures the door-to-door delivery of urgent non-dutiable shipments weighing up to 300 grams by the end of the next possible business day, in recyclable, environmentally friendly packaging. It is the optimal delivery choice for account customers shipping lightweight documents internationally.

Wall Street Journal: On a visit to our offices last year, a U.S. lawmaker with knowledge of intelligence affairs explained that, when it comes to cyber-espionage, there are only two kinds of American companies these days: Those that have been hacked, and those that don't know they've been hacked. So it comes as no great surprise to learn that The Wall Street Journal has also been hacked. Specifically, the email accounts of under two dozen Journal editors, reporters and editorial writers have been hacked for months and maybe longer by the Chinese government. The hackers entered our systems and sought to monitor our China coverage. We identified the hacking last year and have taken steps to prevent it. The attack parallels similar Chinese infiltration of the New York Times, which believes the cyber-espionage originated with a Chinese military unit, as well as a hacking attempt last year against Bloomberg News. [EdNote: Nuthin' like online security. Here's a thought. The Chinese have never hacked a U.S. mailbox.]

Florida Today: Residents face losing another post office, as the U.S. Postal Service proposes closing the third facility in the city in five years. The Titusville Main Post Office location is about 3 miles away.

<u>Dead Tree Edition</u>: The U.S. Postal Service's cash crunch could cause a "catastrophic" disruption of mail service this year, according to a government official who wants USPS to reveal its crisis-management plans. The Postal Regulatory Commission "should request a description of the Postal Service's priorities and plans for providing service across the Nation and across classes in the event cash shortages require services to be reduced."

The Express Tribune: In the absence of telecommunication services, people in far-flung areas of Gilgit-Baltistan (G-B) depend solely on the postal service. However due to the heavy snowfall this season, the people have been finding it hard to send and receive letters. The post offices have been grossly understaffed due to postmen being unable to come to work due to heavy snow. "The postal service comes under the federal government and despite repeated requests, the Ministry of Postal Service is delaying the approval to recruit more people and make more post offices in far-off areas," said Gilgit-Baltistan Legislative Assembly Parliamentary Secretary Muhammad Ayub Shah. He added that the locals are finding it extremely difficult to stay in touch with others via email, due to disrupted services. To make things worse, the snowfall has blocked the routes of postal staff, dealing a blow to the postal services.

February 3, 2013

Mashington Post: Hallmark really wants you to be able to open that birthday card on a Saturday. But Saturday mail delivery costs the U.S. Postal Service \$2.7 billion a year, and it's a burden the cash-strapped agency is trying to shed — to the dismay of greeting-card makers everywhere. Cutting Saturday delivery is a key part of the USPS's five-year plan to save \$20 billion by 2015, but it is bumping up against businesses such as Hallmark that benefit from six-day mail delivery. Hallmark Cards has long paid federal lobbyists to try to keep Saturday mail service, combat rising postage rates and shape other aspects of postal reform. In the last Congress, the Greeting Card Association, which represents 200 publishing and design houses including Hallmark and American Greetings, opposed a measure that would have reduced USPS mail delivery service to five days a week, and a proposed amendment to a Senate bill that would have added a five-cent surcharge on single rate pieces, thereby raising the cost of mailing greeting cards from 45 cents to 50 cents. Those objectives remain, but there is some uncertainty about the approach because of turnover in the House and Senate committees that deal most closely with postal reform, said Rafe Morrissey, senior vice president for government relations at the Greeting Card Association. Morrissey is also a lobbyist at EnGage, the firm lobbying for Hallmark.

The Hill: Lawmakers are reevaluating how to move forward on postal reform this year, after running out of time at the end of the last Congress. Now, with postal officials urging Congress to move quickly on legislation this year, some key senators from last year's negotiations have either left Capitol Hill or are taking more of a backseat on the issue. Even with the last-minute work in the lame-duck, lawmakers still have to work through differences on how or if to let the Postal Service scrap Saturday delivery and how the agency should handle healthcare for future retirees. With all that in mind, lawmakers are not rushing to sketch out their plans on how to get a postal bill to President Obama's desk. The Senate Homeland Security panel, meanwhile, is scheduled to hold a hearing with postal officials and other stakeholders in the coming weeks, and Carper has said that hearing will help decide how the panel builds on the strides made over the last two years. Carper has promised Coburn, a noted fiscal hawk, that he will not reintroduce the previous Senate bill, and the Oklahoma Republican told The Hill this week that lawmakers needed to quit tying the Postal Service's hands on issues like delivery standards. But Coburn did express some confidence that he and Carper, Issa and Cummings could make headway on overhauling the agency.

The Envelope Manufacturers Association Foundation has produced a slide presentation summarizing the data that soon will be published in a more complete report and update on EMAF's study of the "mailing industry"-- its contribution to the nation's gross domestic product (GDP), the total dollar generated by sales of products and services, and the total number of jobs created by mail across all sectors of the economy. This is excellent stuff, and should be reviewed in detail by everyone who is a part of the mailing industry. Our industry owes a debt of gratitude to the EMAF and all its contributors and supporters for undertaking this very important work.

Auto-Mobi.info: USAMaill, a company dedicated to providing superior online shopping, shipping, and mail management solutions for families and business around the globe and in the USA, announces the appointment of one new board member today. Elmar Toime is the founder of E. Toime Consulting Limited and chairman of Postea, Inc., a postal technology group incorporated in 2006. Toime is a member of the Supervisory Board of Deutsche Post DHL, the world's leading logistics company, and is a non-executive director of Blackbay Limited, a market-leading mobile solutions service company. In addition to his formal rolls, Toime also advises a number of startup firms in the postal and logistics sector. From 1993 to 2003, Elmar was the chief executive of New Zealand Post Limited and was responsible for diversifying the company's business base into new areas, including courier and express services, third party logistics and electronic services. In 2002, Elmar led the charge to establish a new, full-service retail bank, Kiwibank Ltd. This move exemplified Toime's commitment to extracting value from the post office retail network. In 2003, Toime was appointed Executive Deputy Chairman of the Royal Mail Group.

The Mat-Su Valley Frontiersman: The federal government didn't go over a fiscal cliff this year, but the U.S. Postal Service could if Congress doesn't act soon. Sen. Mark Begich is working with the Alaska Congressional delegation and other members of Congress to save the Postal Service, and they have made progress working across party lines despite partisan rancor in Washington, D.C. This effort is essential. For the last 40 years, the U.S. Postal Service has been a self-supporting entity that is not subsidized with taxes. We need to keep it that way, and we need to maintain its service in Alaska.

February 2, 2013

Bermuda Sun: The Supreme Court granted the Attorney General an injunction yesterday afternoon preventing postal workers from going on strike.

7thSpace Interactive: To express its gratitude and appreciation to its valuable customers for their unceasing support as well as to promote the broad spectrum of products and services offered, Hongkong Post will offer eight special privileges in the coming seasons. These offers cover personalised stamps and the "Make My Card" Birthday Card Series, postal souvenirs, stamp gift sets, the trade declaration service, circular mail and Speedpost posting discounts, thereby presenting a complete range of products and services for people from all walks of life, from members of the public looking for gifts to business customers in need of cost-effective business and mailing solutions. This promotion will be launched on February 18.

Pakistan Observer: Global Postal Services Market would reach US\$323.6 Billion by 2015, as mail volumes continuously declining owing to growing prominence of digital alternatives.

Cleveland Plain Dealer: U.S. Postal Service won't pay East Cleveland for traffic camera tickets because it says it's exempt from local laws

New York Times: The money-starved United States Postal Service is considering selling the Bronx General Post Office on the Grand Concourse — an official city landmark, a centerpiece of life in the borough for more than 75 years and a monumental gallery of the work of Ben Shahn, one of America's leading Social Realist artists. Postal operations would move to a much smaller leased space.



At the Postal Regulatory Commission:

- ACR2012 Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Initial Comments on the United States Postal Service FY 2012 Annual Compliance Report
 http://www.prc.gov/docs/86/86405/VP%20ACR2012%20Appendix%20A.xls
 http://www.prc.gov/docs/86/86405/VP Complete Initial Comments.pdf
- ACR2012 Comments of Alliance of Nonprofit Mailers http://www.prc.gov/docs/86/86401/13-02-01 ANM comments.pdf
- http://www.prc.gov/docs/86/86401/13-02-01%20ANM%20comments.pdf

- ACR2012 Comments of Pitney Bowes Inc. http://www.prc.gov/docs/86/86403/PB ACR2012 Comments.pdf
- ACR2012 Chairman's Information Request No. 7
 http://www.prc.gov/docs/86/86404/CHIRNo7.pdf
 http://www.prc.gov/docs/86/86404/CHIRNo7.doc
- C2013-38 Request of the United States Postal Service to Remove Confirm Service from the Market-Dominant Product List http://www.prc.gov/docs/86/86388/PRC Filing - Confirm Service (FINAL).pdf

February 1, 2013



National Postal Forum is fast approaching! San Francisco, CA - March 17-20, 2013

Back this year is the Mail Design Professional Course! This two day course being offered on Tuesday, March 19th and Wednesday, March 20th focuses on USPS mail design compatibility and achieving lower postage costs through automation. The course in San Francisco has been updated to reflect the following Postal Standard changes:

- New Folded Self-Mailer standards
- Elimination of the POSTNet barcode to qualify for automation prices
- Parcel Post has been renamed to Standard Post
- Changes to the Move Update standards

Don't miss this industry standard learning experience, designed by the U.S. Postal Service, to improve your mailing standards and lower your postage costs! Just one of many opportunities offered at the 2013 National Postal Forum that you and your business cannot afford to pass up! **Register now!!**

Wall Street Journal: The U.S. added 157,000 jobs last month, signaling a slow start to the year, though revisions showed 2012 job growth was stronger than once thought. The unemployment rate ticked up to 7.9%. [EdNote: It only makes sense to expect that as the economy shows signs of growth, those who had given up looking for jobs would reappear on the unemployed roles as active job seekers.]

The Triangle: The real reason for passing the pension obligation could be more nefarious than providing for the future at the expense of the present — it is a move to kill the USPS and hand its services over to private companies. Look at it this way: Having deliberately crippled the finances of the USPS, Congress can say, "Well, the post office is insolvent because of the incompetence of government. Look at how private industry is able to manage an effective parcel delivery system! Let's give the USPS to FedEx/UPS/DHL/Two Guys and a Truck Moving Co./some other company that donated a lot of money to my campaign!" and then give lucrative postal routes to said company that donated a lot of money to their campaign. (Of course, private companies don't have pensions anymore, so they can give all that saved-up pension money away, too!) It could also be a move to neutralize political opponents such as the AFL-CIO by targeting smaller affiliated unions like the American Postal Workers Union, which comprises around 425,000 of the 11 million AFL-CIO members. If the USPS is eliminated or sold, the APWU goes down the drain along with a significant percentage of the AFL-CIO's membership and political clout.

The latest issue of the PostCom Bulletin is available online. In this issue:

- "USPS Spring Promotion: Direct Mail Mobile Coupon/Click-To-Call Easy Steps To Participate" Please join the Association for Postal Commerce on Tuesday, February 12, 2013 at 1:00 Eastern for a FREE webinar presented by Shahrom Kiani, General Manager, for Address Vision, Inc. Mr. Kiani will detail the USPS' requirements for the March April "Direct Mail Mobile Coupon" and "Click-to-Call" promotion. Learn how you can quickly position yourself to participate! Reserve your webinar seat now at: https://www1.gotomeeting.com/register/297268001
- The Association for Postal Commerce Board of Directors met this week to discuss matters facing the mailing industry and to elect new members to the Board.
- This week, Dave Williams, USPS VP Network Operations, gave an update to the Network Rationalization initiative. The Postal Service is undergoing a consolidation of its network through a program called Network Rationalization. The initiative is comprised of both service standard changes and two phases of mail processing operation consolidations.
- According to postal commenter Gene Del Polito, "the misinformation and disinformation of those who simply want to advance agendas of their own ostensibly for good or even ill reasons pose a greater threat to the fiscal viability of the republic than postal reform ever could. Postal bills will come and go. Most will never find their way to enactment. But the threat to public confidence in the mail by those who would rather have mail-based dollars flow from your pockets into their own constitute the real threat. And when the threat of an ill-designed postal bill will go away with each expiring Congress, the threats posed by mail 's detractors will be more enduring. These are the threats your mail-based business faces every day. These are the threats you cannot afford to ignore. Arm yourself with facts, and make sure the universal mail system you enjoy today will still be around to serve you and your business tomorrow."
- IDEAlliance® has announced a revision in its popular Mail.dat® User License Code program that will substantially reduce the fees paid by mail preparers and facilitate the transition to electronic postage payment. The Mail.dat specification specifies a User License Code to accompany files for the purpose of uniquely identifying the sender through the postal supply chain. The Mail.dat specification, and the software infrastructure upon which it's built, defines mail preparation today and is developed and maintained by IDEAlliance, a non-profit industry association, in cooperation with the United States Postal Service® (USPS®).
- Green teams help USPS save millions. USPS responds to info request on Commercial Single Piece FCM. PRC dismissed AdvoCare complaint case. USPS submits monthly IMb progress report. PRC Chairman submits info request in ACR. PRC approves classification change related to Parcel Select Nonpresort. MTAC releases new membership guide. Save the Postal Service from collapse. USPS releases dynamic routing solicitation. At the Postal Service, new reports reveal the strain of change. Consolidation and cost-cutting are USPS 2013 resolutions. Postal Service audit behind shop shift. So far, FSS is a step backward, USPS data indicate.
- An update on notices regarding changes to the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- Postal previews.

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us by email</u> your name, company, company title, postal and email address. Get a chance to see what you've been missing.



The PostCom Bulletin is distributed via NetGram

International trade and cooperation has become a key driver of small business success according to an in-depth and wide-ranging DHL Express study by IHS, the leading global source of information and analytics. In an exacting economic environment, small and medium sized enterprises (SMEs) have

been presented with a challenge. A challenge to grow and increase the profitability of their businesses against a backdrop of often weak demand. This report summarises the results of research into the performance and competitiveness of SMEs in this business environment, with a specific focus on attempts by SMEs to 'internationalise' their businesses and how this impacts on their growth.

Direct Marketing News: On January 28 the U.S. Postal Service (USPS) began requiring customers to use POSTNET barcodes to transition to new Intelligent Mail barcodes (IMb) to retain their discounted pricing. "POSTNET is not going away," says Roy Betts, senior public relations representative at the USPS. Instead, POSTNET customers taking advantage of automation prices—discounts for flats, letters, and parcels that are barcoded and can therefore be processed via the USPS's automated equipment—will have to transition to Intelligent Mail barcodes (IMb) to qualify for those same discounts. Additionally, Permit Reply Mail (PRM) and Qualified Business Reply Mail (QBRM) are also required to have an IMb.

Lacrosse Tribune: Thousands of area residents will find some innovative deals in their mailboxes next week as a La Crosse company rolls out a high-tech use for an old-fashioned medium. In a test partnership with Downtown Mainstreet Inc., Address Vision is sending out postcards with offers from a dozen local merchants. Bring in the card and you can redeem one of the coupons. But scan the barcode with your smart phone, and you'll have all 12 to use throughout the month. Called mailScan, the technology is designed to enhance the value of bulk mail by bringing it into the digital age, said Christina Kiani, program director for Address Vision. "Direct mail still has a real value for marketing," Kiani said. "People look at it more than email." But instead of tossing it on the kitchen counter — or worse, the trash — Address Vision hopes the digital coupons will draw potential customers into stores, where they simply have to show the coupon on their phone to get a deal.

PressTV: Cheap and easily accessible synthetic drugs are flooding Europe's illegal drug market. The reason these substances are so prevalent is that they're produced in Europe, close to the consumers, in so-called mobile production units that can be easily installed at the back of a truck. Transporting drugs also takes place away from the view of police officers. More and more often, it happens through legal options, such as postal services.

Bowdoin Orient: Now, more than at any other time during its long history, the agency needs the autonomy to adapt to the 21st century. Over the course of its 238-year existence, the USPS has survived wars, economic collapses, and natural cataclysms, and persistently endured through the term of every single President. Whether or not it can survive the partisanship of modern-day politics remains to be seen.

Business New Europe: Russian Post (Pochta Rossii) is a crucial piece of infrastructure underpinning the country's burgeoning e-commerce sector. But the institution only just coped with the onslaught this year and likely will fall short next year unless there is the heavy investment that forms part of its modernisation plans. "The New Year for postal workers is like an exam – there is an avalanche of letters, packets and parcels," Alexander Kiselev, CEO of Russian Post, tells bne in an exclusive interview. "This December we were expecting 2m inbound international items – twice the volume from a year earlier – but we actually received more than 3m registered letters and delivered several million more unregistered letters." A roadmap for reform of the postal service was summited to the Russian Ministry of Communications in September and a draft law has been tabled that will make several important changes, including allowing the post office to sell shares, set up commercial courier services and provide the regulatory underpinning for a long-mooted "SvyazBank", or postal bank: two-fifths of Russian Post's revenues already come from financial services. Improving the postal service – which was ranked in the middle of a recent survey looking at the world's biggest post offices – is also crucial to support the growth of Russia's ballooning e-commerce business, which turned over about \$50bn in 2012 and is growing by some 30% a year, according to experts.

Washington Post: If the genial, soft-spoken Democratic senator from Delaware responds to a question with "let's back up just a little bit," it's a signal that the line from question to answer isn't going to be a straight one. Carper is the new chairman of the Senate Homeland Security and Governmental Affairs Committee, as of Jan. 24, and the panel is not fully organized. Carper has been a leader on postal issues, cosponsoring postal reform legislation that the Senate passed last year. Carper...said he, Issa and Rep. Elijah Cummings (Md.), the top Democrat on the oversight committee, and their staffs have been making progress toward a compromise. [EdNote: Word has it Carper will be holding a hearing on postal reform in the a.m. on February 13.]

Ruralinfo.net: This is an email Ebay sent out to sellers recently. Note that customers must go to an alternative online label printing system to print labels for Parcel Post packages during the mail count.

"Dear Ebay seller: As someone who has used eBay Labels to purchase Parcel Post® in the past, we want to tell you about a recently-announced change that will go into effect January 27, 2013. USPS will discontinue Parcel Post service as of January 27, 2013. Active listings with Parcel Post will automatically be updated to the new comparable replacement service—Parcel Select®—which will be available in the selling flow and shipping calculator as of January 27. Know that the new Parcel Select service will not be available for purchase through eBay Labels until March. Sellers that wish to utilize this service before it is available via eBay Labels—and sellers who have sold items with the Parcel Select service—will need to go to the post office or an alternate online postage provider (i.e. Pitney Bowes, Endicia.com, Stamps.com, etc.) to purchase this class of service. Also, be sure to upload tracking information within your stated handling time. If you would like to continue to take advantage of the convenience of eBay Labels until Parcel Select is added to the eBay Labels system, consider temporarily offering a similar service."